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JOINT CONGRESS DOCUMENT SIGNED WITH BRAZIL

PY310344 Buenos Aires TELAM in Spanish 2030 GMT 30 Jul 86

[Text] Buenos Aires, 30 Jul (TELAM) -- Argentine and Brazilian congressmen today signed a joint document promoting the creation of a binational forum, which will include other countries as well, to analyze Latin American political, economic, and social issues.

The document was issued during a meeting at the National Congress, where an agreement was reached to give concrete answers to certain subjects related to the region.

Radical Civic Union [UCR] Deputy Federico Storani, head of the Chamber of Deputies Foreign Relations Committee, termed the congressional document historical because it ends rhetoric and hollow good intentions that previously existed.

The document stresses the approval of the summit conference between Presidents Raul Alfonsin and Jose Sarney, which ended with the signing of economic cooperation and integration agreements between Brazil and Argentina.

The congressmen also repudiate apartheid, encourage Latin American democrats, and ratify the political origin of the foreign debt of Latin American countries.

In the document, they also request a summit of Latin American presidents and ask for the withdrawal of the military presence of the world powers from the South Atlantic. They reject any form of foreign intervention in National Latin American territories.

The Argentine and Brazilian congressmen state that it is necessary to free ourselves from all forms of oppression in order to win our sovereignty and independence. They recall the colonial period and the different forms of dominance that led them to internal wars and artificial crises.

They state that democracy is a form of permanent people's power. Therefore Latin American political forces are always committed to fighting for democracy and to eradicating illiteracy, ignorance, unemployment, and misery.

The document was signed by Argentine Senator Adolfo Gass (Radical Civic Union, UCR, Buenos Aires Province), president of the Senate Foreign Relations committee, and by Deputies Federico Storani (UCR, Buenos Aires), Jose Bordon (Justicialist Party Renewal faction, Mendoza Province), Maria Julia Alsogaray (Democratic Centrist Union, Capital), and Oscar Alende (Intransigent Party Buenos Aires).

The Brazilian congressmen who signed the document are: Senators Cid Sampaio (Liberal Front Party) and Joao Medieros Calmon (Brazilian Popular Mobilization Party PMDB), and Deputies Haroldo Borges Rodrigues Lima (Brazilian Communist Party), Joao Hermann Neto (PMOB), and Vasco Acevedo Neto (Christian Socialist).

BRIEFS

AUSTRAL DEVALUATION -- For the tenth time in four months, the Central Bank has devalued the austral by one cent against the U.S. dollar. The $1 dollar now costs 0.92 Australes, a 1.10 percent increase. This devaluation was made 7 days after the last one which shows that readjustments are being made more frequently. [Summary] [Buenos Aires Domestic Service in Spanish 29 Jul 86 PY]

VICE PRESIDENT PROPOSES U.N. ANTIDRUG FORCE

PY312248 Madrid EFE in Spanish 0108 GMT 31 Jul 86

[Text] La Paz, 31 Jul (EFE) -- Bolivian Vice President Julio Garret told EFE today that the internationalization of the fight against drug trafficking must be carried out within the framework of the United Nations. In the opinion of the Bolivian vice president, who is also president of the Andean Pact, according to the philosophy of the United Nations, "if the Bolivia task must be undertaken through an international force organized by the United Nations and it must receive the approval of Congress."

"If such UN international forces were to operate in Bolivia, with the approval of Congress, they would have to be replaced every 3 or 4 months to prevent their being corrupted by drug trafficking," he added.

In Garret's opinion, the "immediate" call for an international conference of drug-consuming countries has now become a priority; "to propose international cooperation in the fight against drug trafficking in Bolivia." According to the Bolivian vice president, "the great industrialist countries which consume drugs, such as the United States, FRG, England, Italy, France, Canada, Japan, and Spain," should attend the conference.

Concerning the U.S. participation in the antidrug-trafficking operations, Garret said that "the government will respond in Congress to all the objections to U.S. military participation in Beni Department (northeast of La Paz)."

He added: "These operations, however, have helped to break up drug trafficking in the country and to give international crediblity to Bolivia's intention to fight drug trafficking." According to the vice president, in Bolivia "misery, unemployment and the economic crisis encourage drug trafficking and are a "very good culture broth for it. A mere repressive policy will not reach the roots of the problem."

In conclusion, Garret told EFE that drug trafficking can only be eradicated "if a great national effort is made for this purpose. This effort will only be displayed when the consuming countries decide to cooperate with Bolivia through a plan aimed at creating economic options, particularly in the field of agriculture."

Bedregal Seeks Joint Effort

PY310008 Madrid EFE in Spanish 1805 GMT 29 Jul 86

[Text] La Paz, 29 Jul (EFE) -- Foreign Minister Guillermo Bedregal Gutierrez has stated that at a meeting to be held in Colombia, Bolivia will seek a joint effort to counter drug trafficking, an effort that may also include other countries. The foreign minister has said that the Bolivian Government will discuss the need to conduct an international campaign to control and exert pressure on drug trafficking, with the heads of state who will meet in Colombia on 7 August for the inauguration of president-elect Virgilio Barco Vargas. "The Bogota meeting will be useful because information will be exchanged in order to conduct a concerted struggle against drugs, a scourge that is harming various social sectors," the foreign minister stated.

Bedregal will attend the presidential inauguration in Colombia, representing President Victor Paz Estenssoro. The foreign minister's comment came after the U.S. Government announced that within 60 days it will withdraw from Bolivia its military troops trained in antidrug operations, who arrived on 14 July.

Interior Minister Fernando Barthelemy Martinez has said that the government will negotiate with the EEC, the United States, and other Latin American countries for assistance, including equipment and logistical materials, in order to continue controlling and repressing drug trafficking so as not to leave unfinished the program that began in Bolivia with the cooperation of U.S. troops. Barthelemey said: "We have troops capable of controlling and repressing drug trafficking, but we lack funds and support. Because of this we will ask the U.S. Government to leave us its equipment."

MINISTER SAYS TAX LAW INCLUDES 'INFORMAL ECONOMY'

PY310303 La Paz PRESENCIA in Spanish 25 Jul 86 p 1

[Excerpts] The finance minister has stated that there is a very large informal economy that must be brought into the national economy. "It is for this reason the the tax law was issued, to take into account the great informal sector. In other words, we have moved from the traditional system to a new system that will control account all sectors of the economy."

Referring to remarks by the Bolivian ambassador to the United States that the Bolivian economy receives $600 million from drug trafficking, he said that the ambassador was referring to the informal economy, within which drug traffickers operate. "This is all the more obvious because the export economy has been reduced by the drop in international prices of minerals and petroleum."

He believes that the operations against drug traffickers will have an effect because drug traffickers are suppliers of currency. "I can assure you, however, that the Central Bank is in a position to guarantee the stability of our money and the control of foreign currency because every peso that was put into circulation is backed by dollars. This means that, with half of its net foreign reserves, the government of Bolivia could redeem all the money it has printed." [passage omitted]

The minister said that among the achievements of the government's economic policy we can mention the elimination of hyperinflation and economic stability, because the handling of the finance sector is quite balanced. "Of course there are obstacles, but achievements can be seen when there are sufficient reserves and when it is obvious that money issuance is under control. Things have returned to normal, and problems (like drug trafficking) have no negative influence on our economic stability because in addition to the reserves, we have the support of gold, which we do not need to touch."

BRIEFS

UNEMPLOYMENT RATE -- Labor Development Under Secretary Alfonsin Rueda Pena has reported that from August 1986 to July 1986 the Bolivian unemployment rate increased 1.5 percent. [Excerpt] [La Paz PRESENCIA in Spanish 8 Jul 86 p 1 PY]

FOREIGN PUBLIC DEBT -- Finance Ministry sources have reported that the Bolivian foreign public debt totals $3,360,500,000. [Excerpt] [La Paz PRESENCIA in Spanish 10 Jul 86 p 1 PY]

PROPOSAL TO PEG DEBT PAYMENT TO GROWTH

PY010312 Paris AFP in Spanish 0110 GMT 1 Aug 86

[Text] Rio de Janeiro, 31 Jul (AFP) -- It was reported here today that next September Brazil will propose to its creditors the renegotiation of its $105-billion foreign debt by restricting amortization and interest payments to 6 or 8 percent of the Brazil's economic growth.

In remarks to the newspaper GAZETA MERCANTIL Henri Phillipe Reichstul, secretary general of the planning secretariat of the presidency, said that Brazil will invite the rest of the world, especially the international financial community, to help Brazil grow once again.

Reichstul said that the Brazilian Central Bank will start renegotiating its foreign debt next September, after it signs agreements for $31 billion with representatives of 750 creditor banks.

According to these agreements, short-term credits amounting to $15.5 billion will be renewed for 1 year, and $15.5 billion in principal and interest that came due in 1985 and 1986 will be paid off.

According to reliable sources, more than 80 percent of Brazil's creditor banks signed the agreements last weekend in New York. The others will sign in the next few days.

After saying that Brazil will negotiate the rescheduling of all its foreign debt with the private banks, Reichstul added that we are defining a negotiation strategy aimed at maintaining a constant annual economic growth rate of 6 to 8 percent.

He also said that Brazil is a developing country that has made several internal adjustments, and it is preparing to grow again. Despite the fact that we have a $12- to $13-billion surplus in our trade balance, we need to reduce the remittances of currency to pay the foreign debt. [passage omitted]

BUSINESS RESPONSE TO SARNEY'S PLAN MIXED

PY311840 Sao Paulo FOLHA DE SAO PAULO in Portuguese 24 Jul 86 p 31

[Text] Some of the most important businessmen have judged the new economic measures announced last night by President Jose Sarney in the following way:

Cesar Rogerio Valente, president of the Rio Grande do Sul Federation of Commercial Associations [Federacao das Associacoes Comerciais do Rio Grande do Sul] has said that "whatever argument is used, (the measures) seek to accomplish just one thing: to cover the inefficiency of the government which once again seeks to transfer resources from the taxpayer to the public coffers." In the opinion of this businessman, "the measure is a simple breach of the promise made to the Brazilian people that prices would not rise. The government, that will not talk about unfreezing prices, has unfrozen the tax burden by the unexpected creation of a tax which will be applied to a large section of the Brazilian population."

Paulo Francini, 45, vice president of the Sao Paulo State Federation of Industries (FIESP), said: "The measures show coherence. It was necessary for the government to find a formula to accumulate resources with which to finance public investments."

Horacio Cherkasski, 63, president of the National Association of Paper and Cellulose Manufacturers [Associacao Nacional dos Fabricantes de Papel e Celulose] said: "My impression is that I have seen this movie before. Former Minister Mario Henrique Simonsen tried taxing gasoline consumption and didn't succeed. The so-called 'simonetas' [from Minister Simonsen's name] could never be applied. I understand the government's initiative, but I can't see how it will be implemented."

Fermino Rocha de Freitas, 62, president of Bravox, said: "The measures show a degree of intelligence and fair play, especially when compared to the compulsory loans and taxes created by some former governments."

Arthur Joao Donato, 63, president of the Rio de Janeiro Federation of Industries (FIRJAN), said: "The compulsory loan will correct a distortion generated by the Cruzado Plan, which has caused an exaggerated consumption due to frozen prices. Even though it might hurt, it is the only alternative if we want to revitalize the economy of the country."

Luis Roberto Andrade Ponte, president of the Brazilian Chamber of the Civil Construction Industry [Camara Brasileira da Industria da Construcao Civil] said: The compulsory loan will mean new resources that are not inflationary."

Alberto Sehbe Simon, president of the Rio Grande do Sul Shop Managers Federation [Federacao dos Diretores Lojistas do RS] said that "the government's credibility will be in jeopardy if the new measures put pressure on final consumer prices."

Luis Salles, 51, president of Inter-American Salles and first vice president in charge of the presidency of the Brasilian Association of Publicity Agencies (ARAP) [Associacao Brasileira das Agencias de Propaganda] said that: "The cooling of demand should not cause any harm to the publicity business, even though the industry will be left with some idle capacity."

Odilon Fernandez de Queiroz, manager of Mappin Shops, thinks that "the measures should not discourage consumption. The government measures will affect the upper middle class (buyers of cars and people accustomed to traveling abroad), but not the large majority of consumers."

BRIEFS

POLIO CASES DETECTED -- The Health Ministry has confirmed that out of 145 cases of polio reported during the first 5 months of this year throughout the country, 122 cases were found in the northeast. Joao Batista Risi, national secretary for prevention and education of the Health Ministry, said that the main reason for this increase in the number of polio cases in the country is that many children have not been vaccinated, or have received only one dose of the vaccine. Risi recommended that the parents of children under 5 have them vaccinated during the next vaccination campaign set for 6 August. During this campaign, the vaccines used will be slightly modified to more effectively combat the type 3 polio virus, which has been detected mostly in the northeastern region, in the states of Sergipe and Paraiba. [Summary] [Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 23 Jul 86 PY]

INTERNATIONAL PRESSURE 'INHIBITS' PINOCHET

PY310250 Santiago Radio Chilena in Spanish 2300 GMT 30 Jul 86

[Relay from La Moneda Palace by Eliana Henriquez]

[Text] President Augusto Pinochet admitted tonight that he cannot take stronger measures against terrorism because he feels inhibited by international pressure. Speaking to a group of young people and women at the Diego Portales Building, the chief of state said that in other countries said to be democratic, assassinations and killings are perpetrated, while the Government of Chile is looking out for the tranquillity of the people.

Pinochet said that he cannot take further measures because he feels that his hands are tied by international reactions. The politicians are slandering the country abroad, said Pinochet, adding that they travel abroad to defame Chile, inventing stories about the country. They go abroad to spread slander and to beg for money so that they can continue their opposition to the government.

In his impromptu speech, Pinochet said that the politicians have never done anything for Chile, because they have turned politics into a profitable business. They want to return because, having been out of business for 13 years, their pockets are empty. The chief of state then told the young people not to let themselves be deceived by communism, which is the worst tyranny that can exist. He asserted that the government is struggling for freedom, happiness and life. I am willing to lay down my life, Pinochet emphasized, for the freedom of every one of you.

These remarks were made by the chief of state to a group of women and young people who attended a meeting organized by the Directorate of Civilian Organizations.

From the Diego Portales Building, Eliana Henriquez reporting.

THREE MINISTERS REACT TO ABRAMS REMARKS

Comment by Delano

PY312230 Santiago Radio Chilena in Spanish 1700 GMt 31 Jul 86

[Text] Economy Minister Juan Carlos Delano has stated that the elections scheduled for 1989 in the country have been guaranteed by President Pinochet and by the 1980 Constitution. We Chileans must not get excited over the threats voiced by some U.S. congressmen, he said.

The economy minister has thus reacted to remarks by Elliot Abrams, U.S. assistant secretary of state for inter-American affiars, who stated that the decision to approve the granting of loans to Chile by multilateral organizations will depend on the improvment of the human rights situation by Pinochet's regime, and on the development of the democratic process.

[Begin Delano recording] I do not think there is anything definite in this regard. The only thing we can do now is listen to some comments, but I do not really believe that the United States is aware of what it is doing, or of what is being done in Chile regarding the electoral process, which was requested by the U.S. Administration for 1989.

Of course this process has been guaranteed by the president of the Republic and the Constitution. I think these are mere comments and there is no reason for us to be nervous. I think this issue will be decided on during the last quarter of the year. There is still some time until then, and I do not see why we should adopt measures or become nervous about it. [end recording]

Delano also referred to the talks held with top leaders of the World Bank and the IDB.

[Begin Delano recording] All talks have been kept on the technical level, and it was stated that Chile has a well-balanced economic sector, and that we are fulfilling all our agreements with the IMF and the World Bank. Moreover, we are increasing production, we are increasing production, we are increasing investments, we are increasing savings. Therefore, I think this country is serving as an example for many other countries with similar problems. In this regard, I think the multilateral organizations are using us as an example, and it would be absurd to correct an example through a political measure which is not in keeping with justice or with efforts not only by the Chilean Government, but also by the Chilean people to comply with this new international situation. [end recording]

The economy minister made these remarks during a visit he made at noon today to the Andromaco Pharmaceutical Laboratory.

Remarks by Garcia

PY312206 Santiago Radio Chilena in Spanish 1700 GMT 31 Jul 86

[Relay from Mobile Unit No 6 in the Carabineros School of Santiago by unidentified reporter -- live or recorded]

[Text] There will be no cabinet change, Interior Minister Ricardo Garcia said today after attending a ceremony to bid farewell to former Carabiners Subdirector Juan Bautista Alegria Valdes and to swear in his replacement, Carabineros Inspector General Oscas Torres Rogriguez.

Minister Garcia said the remarks by U.S. official Elliot Abrams were not made at random, but rather they must be understood within a general context.

Regarding the visit of the U.S. lawyers, Garcia said that they will have a good opportunity to observe how Chilean justice works. About relations with the Church, Garcia denied any deterioration. On the contrary, he said, there is an established dialogue with Church authorities.

The minister also referred to the latest terrorist actions, and described them as extremely serious. He compared them to recent events in the Middle East, adding that extremism affects any sort of regime. Terrorism is not aimed at any particular government, he said, it is aimed rather at destroying human lives.

No Comment by Del Valle

PY312147 Santiago Radio Chilena in Spanish 1700 GMT 31 Jul 86

[Text] Elliot Abrams, U.S. assistant secretary of state for inter-American affairs, today stated that the United States might vote against the granting of new loans to Chile to put pressure on the current government to improve the human rights situation in the country.

Abrams referred to this possibility in remarks to the U.S. House of Representatives Bankin subcommittee. We should note tht Abrams has already said that President Finochet's government must begin preparing an electoral list and legalize the political parties. Now, pressured by congressmen wanting to know whether Washington will continue approving loans to Chile, Abrams said he will recommend that the government vote no.

So far, the Reagan administration has never voted against the granting of new World Bank and IDB loans to Chile. Last year, however, it abstained from voting on three occasions. According to some observers, these abstentions have helped bring about the lifting of the staet of emergency that had been in effect in Chile.

Abrams added that he is against al bill that would prevent the authorization of any loans to Chile for 1 year. According to him, the United States must continue with its policy of flexibility toward Chile. Otherwise, Abrams stated, the Chileans might decide to sever all relations with the United States.

This report has had immediate repercussions at the Chilean Foreign Ministry. Reporter Jose Francisco Contreras will give us further details on this from the Foreign Ministry. Good afternoon, Jose Francisco.

[Begin Contreras relay] Foreign Minister Jaime del Valle categorically refused to comment on cable reports of possible U.S. rejection of future loans to Chile. The report coming from Washington states that Elliott Abrams, assistant secretary of state for inter-American affairs, has said he will recommend that his government vote against a $250-million loan for Chile by the World Bank unless the Chilean military regime ends human rights violations. The U.S. decision regarding this loan has not yet been made. According to Abrams it will depend on human rights developments in Chile.

A few days ago, Del Valle expressed optimism, stating that the United States would not adopt economic sanctions against Chile because such measures would only affect the people and not the government, and that they would favor Marxism. Asked his opinion today on Abrams' comment' the foreign minister categorically refused to comment. He was also questioned about Pinochet's comment that he is inhibited by foreign pressures from adopting certain measures. Del Valle again refused to comment to the press. [end relay]

AIR FORCE COMMANDER DECRIES 'HASTY REACTIONS'

PY311459 Santiago Domestic Service in Spanish 1100 GMT 31 Jul 86

[Text] During an unscheduled press conference at the Cabo de Hornos Hotel in Punta Arenas, Chilean Air Force commander in chief General Fernando Matthei said: I believe we have realized we must begin building Chilean institutions. Gen Matthei made this statement shortly after arriving in Punta Arenas to attend a ceremony honoring three pilots who died in a collision between two planes.

Matthei said this is the time to work on national institutions, and I believe this is what we and the wise people who want democracy are doing. If we do not have democracy today, and if we are eagerly trying to build a democratic system, it is because, as Jorge Alessandri said in his opening remarks at the Council of State, our democracy fell to pieces under the weight of its own weakness, Matthei said.

The Air Force commander said that to build something new is very difficult and calls for considerable patience and imagination.

Asked to give his opinion on the situation in our country, he replied that it is calm. However, there are always problems about which Chileans are concerned, he stressed. There are controversies such as the ones which we have just read about here in Punta Arenas and in Santiago and which are part of a nation's daily life. There are people who react hastily to a situation when they should remain calm and conduct themselves more wisely. For example, they talk about a horrendous crime before such a horrendous crime has even been confirmed. At least, this is what the judge said, and he has not indicted anyone for any horrendous crime, but rather on charges of negligence. Consequently, one should expect more prudence from some organizations and people, Gen Matthei told the journalists.

Explains Opposition to Party Law

PY010208 Santiago Radio Chilena in Spanish 2300 GMT 31 Jul 86

[Relay from Punta Arenas by Rodrigo Araya]

[Excerpts] Air Force Commander General Fernando Matthei has stated here in Punta Arenas that if the law on political parties has not been promulgated yet, it is because of him. He explained: I have opposed this law because the number of signatures required to form a political party is unrealistic.

The Air Force commander made these comments during a visit to this zone, where he participated in a memorial service at the site where two aircraft crashed 3 weeks ago. Since then three Air Force officers have been declared missing. [passage omitted]

On this occasion the Commander referred to various issues such as the promulgation of the law on political parties. In this regard he stated:

[Begin Matthei recording] The executive branch hopes to promulgate it in March 1987 so we will see what happens. Everyone is aware, and I have said it here too, that there is a (?serious obstacle) involving the number of signatures required. I think that it is a bit unrealistic. If the law has not been promulgated yet it is because I am against it. I hope we will be able to agree on a more realistic number. [end recording] [passage omitted]

FRESNO 'REGRETS' INTERPRETATION OF HIS COMMENTS

PY010005 Madrid EFE in Spanish 1557 GMT 31 Jul 86

[Excerpts] Santiago, 31 Jul (EFE) -- In public comments aired by the Santiago archbishopric press office, Cardinal Msgr Juan Francisco Fresno defended the "authority of a priest to refer to subjects related to the moral standards of the people."

In the document, the Santiago archbishopric "regrets the interpretation which most of the Supreme Court of Justice has given to the statement made by Msgr Fresno." [passage omitted]

Msgr Fresno's statement was prompted by Judge Echavarria's sentence. Fresno noted the impact that Echavarria's decision would have on the prestige of important Chilean institutions.

The cardinal's statement was rejected by the Chilean Supreme Court of Justice, which asserted that statements like the one made by the cardinal only "serve to instigate the public and undermine the prestige of the courts."

Today, Cardinal Fresno regrets this interpretation. Meanwhile, criticism has increased against the judicial branch's performance during the past few years, especially since September 1973, when a military coup brought General Augusto Pinochet to power.

On the afternoon of 30 July, some 100 persons belonging to "Sebatian Acevedo Movement Against Torture" gathered inside the Supreme Court building where they left a letter for Special Judge Alberto echavarria.

The letter states: "We reject your recent ruling regarding the case of the youths who were burned alive by military personnel, because it is false, unjust, and outrageous."

According to the "Movement" the judge's ruling is "outrageous because it conceals a horrible crime and protects the practice of torture." The letter concludes by stating "your resolution definitely discredits the Judicial Branch before the entire citizenry."

The "Movement Against Torture," comprised mainly of priests and nuns, adopted the name (Sebastian Acevedo) of a father who, desperate over the disappearance of his son, and the Chilean authorities' denial that he was being held under arrest, set fire to himself at the entrance of Concepcion Cathedral 4 years ago.

Sebastian Acevedo died a few hours later, publicly asking forgiveness for having committed suicide, but "happy" because the police forces, after Acevedo immolated himself, admitted that his son was under arrest.

Valdes Supports Cardinal

PY010122 Santiago Radio Chilena in Spanish 1700 GMT 31 Jul 86

[Text] The Supreme Court's response to Santiago Archbishop Fresno's request to clarify the case of the burned students has startled the Chilean public. This statement was made by Christian Democracy [DC] leader Gabriel Valdes, who also expressed full support for the archbishop. Valdes said that the cardinal had respectfully made a request to a branch of the government because he was concerned about the case of the students.

[Begin Valdes recording] The Supreme Court's response is incredible. It reacted as if contempt of court had been committed. I think that if one reviews the history of Chile, one will find many cases in which moral authorities, even intellectuals, or scientists have bravely addressed a government to express their point of view.

In the cardinal's case, his statements were calm and, I believe he interpreted the people's feelings, because the crime of the burned students has reached deeply into the conscience of all the Chilean people and of people abroad, considering the news we get from abroad.

It is therefore natural that those whose mission is to look after morals, justice, and peace should ask the court to quickly clarify the case. This is particularly true because, as the archibishop said, the crimes committed in Chile over the last 13 years have not been solved. [end recording] [passage omitted]

Gabriel Valdes added that the many crimes committed abroad and in Chile have discredited Chilean justice. [passage omitted]

He said that the government should drop the charges against the Vicariate of Solidarity and the leaders of the National Civic Assembly because they have not committed any crimes. Finally, the DC has issued a statement denouncing the increasing vulgarity and lack of manners in the ruling class.

COURT RELEASES VICARIATE DOCTORS ON BAIL

PY301647 Madrid EFE in Spanish 0332 GMT 29 Jul 86

[Text] Santiago, 28 Jul (EFE) -- The Supreme Court today ordered the release on bail of doctors Alvaro Reyes and Ramon Rojas who have been tried by the military court in a case in which the Vicariate of Solidarity of the Santiago Archbishopric appears to be involved.

The doctors have been under arrest for approximately 80 days, together with lawyer Gustavo Villalobos and Doctor Ramon Olivares, members of the Vicariate.

Both the doctors, who were set free today, and Villalobos and Olivares are being tried by the Santiago military court, accused of having given aid "to combat groups" of the opposition.

Everything began on 28 April when Villalobos and Olivares tried to administer first aid in the Vicariate's infirmary to Hugo Gomez Pena, who had substained a bullet wound in the buttocks.

Gomez Pena told the Vicariate that he had been walking and had been caught in the middle of a shoot-out between Carabineros and assailants of a bakery. He said that he had been wounded accidentally.

Villalobos and Olivares, seeing the nature of the wound, sent Gomez Pena to the clinic hospital of doctors Reyes and Rojas, where he was given the assistance and later discharged.

The government asked the court to try the two professionals from the Vicariate of Solidarity and the two doctors from the clinic. It accused Gomez Pena of belonging to the opposition militia, which conducted the attack on the bakery. A carabinero was killed in the attack.

On 13 May, after being at large for several days, Gomez Pena sought the assistance of another doctor, Juan Macaya, who is also under detention.

Dr Macaya advised the Vicariate of Solidarity which in turn advised the military court. The military court then proceeded to detain the wounded Gomez Pena.

According to opposition press reports, Gomez Pena has cooperated with the court, accusing the detained professionals and denouncing persons who allegedly granted him refuge while he was at large. This, according some publications, could be some sort of revenge against the Vicariate of Solidarity for having placed him at the disposal of the court.

ANALISIS DIRECTOR ARRESTED; MAGAZINE SUSPENDED

PY301614 Paris AFP in Spanish 0444 GMT in Spanish 30 Jul 86

[Text] Santiago, 29 Jul (AFP) -- Juan Pablo Cardenas, director of the opposition magazine ANALISIS, was today arrested in connection with a criminal lawsuit brought against him by the Chilean Government. The government charges Cardenas with having committed libel against President Augusto Pinochet. The director is not being held incommunicado. The lawsuit against Cardenas and 29 other ANALISIS journalists and reporters is based on the Internal Security Law, which was also applied to the magazine. The front cover of today's issue of ANALISIS, which was confiscated by the Chilean police, carries the headline: Pinochet Alone.

Speaking at the court house before being arrested, Cardenas said: This will not intimidate us. We will still continue to perform our reporting activities.

Judge Leonel Beraud has ordered that ANALISIS, which has always criticized the military government, suspend its publications for five weeks.

Cardenas said: If the suspension of our magazine is extended and if they attempt to intimidate us, we will still continue to perform our professional duty, which comes before any of the arbitrary provisions enacted by this regime. Cardenas' lawyer Guillermo de la Jara announced that he will file a motion in court to protest the five-week suspension of ANALISIS. Ignacio Gonzalez, president of the Chilean Journalists Association, said: The government is harassing ANALISIS: it is simply seeking to eliminate this magazine.

73 STUDENTS HANDED OVER TO INTERIOR MINISTRY

PY311443 Santiago Domestic Service in Spanish 1100 GMT 31 Jul 86

[All numbers as heard]

[Text] Seventy-three students arrested on charges of seizing educational facilities have been placed at the disposal of the Interior Ministry. Of the 341 students arrested after the seizure of the University of Chile law school and the Santiago Professional Institute on 29 July, only 73 are still under arrest. The 73 students are charged with violating the state security law.

At the law school, police arrested 117 students after removing them from the premises. Of these 117 students, 49 are still under arrest at the 19th police station, at the Interior Ministry's request. Twenty four of the 251 students arrested at the Santiago Professional Institute are still under arrest at the 2d police station in Santiago.

BRIEFS

TRAFFICERS ARRESTED IN SANTIAGO -- The 2d Narcotics and Dangerous Drugs Brigade of the Investigative Police in Santiago has arrested cocaine traffickers Alfredo Angel Navarrete, 23; Patricio Higinio Flores, 21; and Ramiro Mar Pacheco, 25. Some very pure cocaine worth 300,000 Chilean pesos was found in their possession. [Summary] [Santiago Domestic Service in Spanish 1700 GMT 26 Jul 86 PY]

SEVEN PRESIDENTS TO ATTEND BARCO INAUGURATION

PA312317 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 31 Jul 86

[Text] Bogota -- Seven chiefs of state, 13 foreign ministers, several vice presidents, and other top government officials of Latin America, Europe, and Asia will attend the inauguration of President Virgilio Barco Vargas. The new president's press office has confirmed that the presidents of Panama, Honduras, El Salvador, Uruguay, Venezuela, Costa Rica, and Peru will attend the ceremony. The vice presidents of Guyana, Ecuador, Korea [not further identified], the Soviet Union, the United States, Poland, Hungary, and the FRG will also attend.

SUPREME COURT MAGISTRATE KILLED IN ATTACK

PA311410 Madrid EFE in Spanish 1355 GMT 31 Jul 86

[Text] Bogota, 31 Jul (EFE) -- According to authorities, Hernando Baquero Borda, a magistrate of the Colombian Supreme Court of Justice, was killed today during an attack in Bogota.

Witnesses to the attack said that two men traveling on a motorcycle approached the vehicle carrying the jurist and his wife, Susana San Pedro de Barquero, in northern Bogota and fired at him repeatedly. After the murder, the motorcyclists clashed with Baquero Borda's bodyguards, three bodyguards were wounded.

Baquero, who had been a magistrate of the republic for more than 5 years, was unhurt during the occupation by the M-19 of the Palace of Justice in November 1985 that resulted in [word indistinct] dead.

Details on Murder, Suspect

PA311551 Madrid EFE in Spanish 1447 GMT 31 Jul 86

[Text] Bogota, 31 Jul (EFE) -- A man presumed to be one of the killers of Colombian Supreme Court Justice Hernando Baquero Borda was caught by police several minutes after the attack in which the justice, one of his police escorts, and a 17 year-old were killed. In a swift reaction to the attack, the police were apparently able to catch one of the killers, who according to Radio Cadena Nacional (RCN), is a young, 1.6 meter-tall, dark complexioned man. the description matches the descriptions of the killers furnished by eyewitnesses to the attack.

Justice Baquero Borda, who was a member of the Supreme Court of Justice's criminal repeals court, died after two men on a moving motorcycle fired at the vehicle in which he was traveling, on a street in northern Bogota. One of his police escorts and a motorcycle rider who happened to be traveling down that same street were also killed during the attack. Three other members of his bodyguard corps, as well as the justice's wife, Susana San Pedro de Baquero, who was in the car with her husband at the time of the attack, were wounded. Baquero Borda, who had been on the court for more than 5 years, emerged unhurt last November from the occupation of the Justice Palace in downtown Bogota, which ended on 7 November with a toll of over 100 dead, including 11 of Baquero Borda's colleagues. The police have initiated a large-scale operation in an attempt to track down the culprits, who according to eyewitnesses, fled on a powerful motorbike toward western Bogota, where reports indicate that one of the two killers has been caught.

ARMY CLASHES WITH FARC, M-19 GUERRILLAS IN TOLIMA

PA290415 Bogota Television Service in Spanish 0000 GMT 29 Jul 86

[Text] There have been four attacks on vehicles during the past 15 days on the road that links Chaparral to Rio Blanco, in Tolima Department. Reports say that the situation has worsened in the past 24 hours. Although there has been a relative calm, two soldiers and an undisclosed number of guerrillas were casualties in recent clashes.

New clashes between the Army and M-19 guerrillas have been reported. The guerrillas ambushed a 3rd Brigade patrol yesterday in the rural zone of Chaparral municipality, killing two soldiers. In the clashes that followed, 10 guerrillas were killed, according to the 3d Brigade spokesmen.

Farc and M-19 Guerrillas from Valle Department, are operating in the area of Rio Blanco. Meanwhile, a clandestine grave containing 27 bodies was found in the Toribiio area. These bodies are supposedly members of the Ricardo Franco Front, victims of a purge which so far has left more than 200 dead in the region.

A commission from the Justice Department and the governor's office of Cauca Department was participating this afternoon in the removal of the corpses.

BRIEFS

DRUG TRAFFICKERS ARRESTED -- F-2 agents of Bogota captured Hernan Munoz Sanchez, Oscar Solano Espitia, Walter Alfonso Nino, Jose Villamil Cardenas, Jesus Pelaez Bello, Arturo Montenegro Lizarralde, and Hector Augusto Hernandez Sanchez when they were trying to ship 52 kg of pure cocaine to the United States. The cocaine was hidden in a flower shipment. The F-2 agents also seized three vehicles, six firearms, and a bullet-proof vest. The cocaine shipment has a value of approximately 100 million pesos. [Summary] [Bogota EL TIEMPO in Spanish 9 Jul 86 p 7-A PA]

DRUG SEIZURE -- The F-2 of the National Police has seized 110 kg of pure cocaine and has captured two gang leaders Jairo Franco Munoz and Reinaldo Carvajal Castro, who headed the gang, were arrested during this operation. Colonel Fabio Campo Silva spokesman from the General Directorate of Investigations reported that the gang sold cocaine on the U.S. black market. The gang used clandestine airstrips in Colombia, Central America, and the United States during their operations. The cocaine was seized in Bogota. [Summary] [Bogota EL SIGLO in Spanish 13 Jul p 3 PA]

FURTHER DRUG ARRESTS -- Jairo Franco Munoz and Reinaldo Carvajal Castro were arrested today by a Narcotics Department commando unit led by Colonel Fabio Campos Silva, at an elegent home in Bogota. Franco and Carvajal, who purchased cocaine from producers at retail prices, had in their possession 110 kilos of cocaine in 103 bags. [Summary] [Bogota Cadena Radial Super in Spanish 1730 GMT 12 Jul 86 PA]

CLANDESTINE DRUG LABORATORY -- The national Police's Anti-Narcotics Group discovered a sophisticated laboratory in Alto Cuembi, Puerto Asis, and destroyed the installations. The following were also destroyed during the operation: Some 45,000 coca plants, 70 kilos of dried coca leaves, 2,000 grames of coca paste, 300 gallons of gasoline, 1,000 kilos of caustic soda, 10 gallons of sulphuric acid, 20 kilos of potassium permanganate, and other elements. [Excerpts] [Bogota EL TIEMPO in Spanish 16 Jul 86 p 2-A PA]

ENERGY MINISTER ON RESULTS OF OPEC MEETING

PA312315 Paris AFP in Spanish 0009 GMT 31 Jul 86

[Text] Quito, 30 Jul (AFP) -- Three of the 13 OPEC countries have rejected the quotas the organization has suggested to them, Ecuadoran Energy and Mines Minister Javier Espinosa reported from Geneva. Espinosa, who is alternate president of the OPEC, also commented on the OPEC talks in Geneva.

According to the official report, Espinosa said that two countries have fully accepted the quotas suggested by the organization, three rejected then, and the remaining eight -- including Ecuador -- accepted them conditionally. He also reported that seven countries have offered to reduce their production voluntarily, including Ecuador. He did not comment on the positions of the other oil-producing countries. Ecuador would reduce its daily oil production by 40,000 barrels. This represents 13 percent of its current production, according to Espinosa, who said there is hope that the other six countries will also come out in favor of a voluntarily reduction. Espinosa reveled that the voluntary oil-production cuts adopted by the seven countries amount to a daily reduction of 1.6 million barrels

ALFARO LIVES MEMBERS ATTACK IETEL GROUND STATION

PA261720 Quito Voz de los Andes in Spanish 1230 GMT 26 Jul 86

[Text] The IETEL (Ecuadoran Telecommunications Institute] ground station located in (?Valle de los Rios) was attacked early yesterday by six people who identified themselves as members of the Alfaro Lives group. As a result of the attack, two private guards were wounded, but the attack was repulsed by guards. Guards Bolivar Murillo and Pedro Diaz were seriously wounded when they exchanged fire with the assailants. The youths, who were allegedly members of the Alfaro Lives group, arrived at the IETEL ground station in a green jeep at approximately 1600 yesterday.

According to the guards, who work for the Cosmas Private Security Company, one of the youths got out of the jeep and drew the attention of the guards at the guardhouse located at the station's entrance. Meanwhile, two other youths climbed the fence and caught the guards who approached the entrance by surprise.

The youths overpowered Diaz, tied his hands, gagged him, and took the keys. They then drove the jeep in. They had to stop near the gigantic antenna due to barriers. One of the guards in that sector asked them for identification; the youths, four or five of them, fired their weapons, wounding him.

According to witnesses, another guard repelled the attack with a rifle, forcing the assailants to flee.

GARCIA INTERVIEWED ON DOMESTIC PROBLEMS

PM300746 Milan L'UNITA in Italian 27 Jul 86 p 1, 7

[Interview with President Alan Garcia by Maria Giovanna Maglie in Lima; date not given]

[Excerpts] Lima -- "They will not succeed in making me the second Allende," Garcia said. "I want to go down in history not as a martyr but as a president who gave Peru back its dignity as a great and ancient nation with confidence and prospects for its people. To do this will take time -- time for democracy. In a democracy you take steps forward, you even make mistakes, serious accidents occur, and you achieve large and small successes. I am young; I have no intention of falling into the trap of resignation or impatience." [passage omitted]

[Maglie] Mr President, how long will it take to complete your project, to alter this country's injustices? They are so glaring and desperate that, despite your optimistic figures, they strike even a hardened observer.

[Garcia] To alter the structure, you mean? At least 10 years. But that does not mean that the APRA [American Popular Revolutionary Alliance] party wants to remain in power for 10 years, of course.

[Maglie] Mr President, you won an exemplary election with 48 percent of the vote. You depend on the support of a left-wing opposition, the United Left, that has 30 percent of the vote. Nobody can question your government's democratic legitimacy.

[Garcia] Well then, if you are asking me how long it will take for a comprehensive transformation of society, including culturally, I would say 20 years. Let me tell you why. There are two further onerous impediments: egoism, encouraged for years by the situation, by television, and by the social model; and the weight of the state bureaucracy, a vast and very slow-moving apparatus with very low productivity. Well, under such conditions one must try to decentralize the state and democratize even the health service.

[Maglie] I visited Lima's Carrion a Callao hospital and gained the impression that one is unlikely to leave there alive.

[Garcia] I will tell you, moreover, that there is the problem of hospital service and the reconstruction of hospitals providing treatment for serious illnesses such as cancer and surgical treatment. But in Peru people die because they drink dirty water; because they contract a common virus; children die of dysentery. It is not even so much a matter of equipping hospitals as of providing preventive structures in places where people live and work. The same applies to housing. I do not intend to concern myself for the present with the middle class; it is the poorer people who must be guaranteed ownership of the land around Lima, loans to construct small houses with basic services -- water and electricity -- and social services such as health, welfare, and education, which is what we are doing now. And the same must be done in the Andean regions, in the provinces distant from Lima.

[Maglie] This is what we could call the medium-term program for the coming year. But how is it to be achieved in practice? Peru is a country poor in resources, dependent on imports, and internationally very vulnerable.

[Garcia] It is difficult, you are right. The major difficulty lies in the fact that not only wealth but also education -- ideological hegemony -- is in the hands of a few. So what can I do -- I believe the most radical left is wrong in this respect -- should I nationalize industry and entrust it to the same unproductive state bureaucrats? Should I nationalize industries and frighten a country unprepared for such a traumatic move? I believe that Salvador Allende encountered the same problem. No, people must see the model changing naturally during the course of time, see doors opening and problems being resolved. And these innovations must also make headway and be introduced in schools, in education.

[Maglie] What do you call this model of society, this bold blueprint? Socialism? And how do you reconcile it with the violence, the clash between the terrorism nurtured by poverty and the repression behind which are often the forces that want to change?

[Garcia] I call it a nationalistic model for social democratization which is confronted by the very serious problem of violence. And so we come to the latest events. I say that violence is now a structural element in Peru. Read the newspaper headlines. I am sure it is possible in Italy for a policeman to kill his wife or carry out a robbery without its becoming the news story of the day, every day. Violence is part of the country's consciousness, a deep-rooted legacy, and Alan Garcia cannot overcome this force by means of his charisma, his image. It will take a long, long time.

[Maglie] When you talk about violence what do you mean? The violence of the system; subversive violence; the violence of the history of a country split between winners and losers, colonizers and colonized, city dwellers and inhabitants of the Sierra; the violence of foreign capital?

[Garcia] The violence is in the "Pol Pot-ism" of Shining Path -- a barbaric movement entirely devoid of any respect for life and entirely divorced from the romantic ideals of liberation held by the people to whom I am close, such as Che Guevara. The violence is in the newspaper reports; in the television news which reels off lists of deaths and sequences of ghastly events; in the police forces, whoever has a weapon to use against those who have none; in the bureaucrat, who is strong compared to the poor man who needs something. Violence is everywhere. Let us be clear about this: Since 1948 there have been 600,000 deaths in Colombia. We have not yet reached this figure, but death here is amplified, propagandized. You ask me what I am doing about this. Well, the other day there was a riot by prisoners at a jail a long way from Lima. Once again orders were issued for vigorous but legal action to be taken. But those who intervened -- the police forces -- are imbued with this violence. What can I do? Violence in front of me, violence behind me; the violence of the means available to me. What can someone do who has only the law in his hands? [passage omitted]

[Maglie] Despite everything we have said, you are writing a speech in which you say that democracy in Peru is strong. How can you be sure of that?

[Garcia] Nobody in Latin America can rule out the possibility of a coup. But I think that democracy in the country is strong and that a process is developing. We are coming out of a conservative phase and an extreme monetaristic policy. We have begun a new period of economic revitalization and winning national independence. The Armed Forces are the same as they were 1 year ago when I became president; they have accepted the constitutional government and are committed to it.

And Peru's Armed Forces are certainly not equal to those in other Latin American countries. As far as I am concerned, I became president through the will of a people to whom we must explain and teach that this is not just an anti-inflationist spring but a long and difficult process of reviving productivity and the capacity to survive and develop as a country.

[Maglie] You describe yourself as socialist, revolutionary, and anti-imperialist.

[Garcia] Of course, it is impossible to be a socialist in Latin America without being anti-imperialist. This is because all our country's ills have external rather than internal causes. We are socialists because we do not believe in liberal capitalist ideas or system. Its result is the situation this country is in: On the one hand there is the famine of the rural districts, the Sierra, the urban poverty which is the result of migration from the rural districts; on the other hand there are a few people who benefit from the import of technology, from the dollar currency and the debt. We are beginning to dismantle this system without being so foolish as to kick against everything: the World Bank, the IMF, the Lima industrialists, and the people themselves, who, thanks to the mass media, have a capitalist model for their lives. First, I am paying what I can of my debt, I am paying 10 percent of what I receive for my exports, and I am therefore tying the value of products to the value of our currency. Second, I am reviving national industry. I do not mean that there is no room for foreign enterprise, I mean I am choosing without following a foreign-style consumer logic with foreign technology which is ultimately just consumption of a foreign product or simply assembling foreign materials and products. I am therefore trying to revive and redirect national industry. National production must be increased. How? By helping agriculture; for instance granting loans to restart the cultivation of hundreds of hectares of land in areas where farming has stopped.

Another thing is the circulation of dollars in the country. Just 1 year ago 38 percent of the currency in circulation was the national currency, all the rest was in dollars. We have now reached 81 percent. This is because it is much less convenient for small savers to save in dollars; this is because we have frozen or stopped large investments in dollars. And to those who protested, we replied: In exchange for your dollars here are soles, the national currency. You have no justification for continuing to grow rich at the country's expense. But, as you can see, this is a process which has only just been started and one which requires a great deal of time. It is a choice which a country ought not to make alone.

[Maglie] Are you referring to integration among Latin American countries? Do you think there is progress in this direction? It seems to me that all the others are continuing to pay interest on the foreign debt exactly as the World Bank is demanding.

[Garcia] The situation in many countries is becoming so terrible, they are becoming so involved in this continuous renegotiation of the foreign debt, that I am sure others will eventually follow our path. And if 7, 8 or 10 Latin American countries all say together: "Let us follow the same criteria for payment," then the world situation will really change. [passage omitted]

CHURCH CONDEMNS TERRORISM, FOREIGN DEBT BURDEN

PY302300 Paris AFP in Spanish 0235 GMT 29 Jul 86

[Text] Lima, 28 Jul (AFP) -- The Peruvian Catholic Church today questioned the moral obligation of paying a foreign debt when its terms cannot be accepted without lowering even further the standard of living and even the survival and development of our nation.

This was said by Cardinal Juan Landazuri during the Te Deum he celebrated at the Lima Cathedral on the occasion of the 165th anniversary of Peruvian independence.

Regarding the violence that Peru is presently experiencing, the Peruvian church has issued a ferven: appeal for peace and for a national reconciliation, and it condemns both terrorist and antiterrorist violence.

The appeal also categorically states that those institutions or persons that cooperate or promote terrorism and participate in terrorist actions cannot be exempt from being condemned for their actions.

This statement was included in the sermon read by Father Carlos Cardo before President Alan Garcia, former President Fernando Belaunde Terry, members of the Cabinet and the diplomatic corps, Marxist Lima Mayor Alfonso Barrantes, and other authorities.

The sermon states that the church believes in democracy and that it encourage those efforts to achieve democracy.

The church wants to see a more representative democracy. It adds that the church is aware of the difficulties that must be overcome, among them economic difficulties, and particularly the nefarious effects of the foreign debt.

After stating that peace is being seriously jeopardized in Peru by the prevailing violence, the sermon adds that terrorism is an unequivocal social aberration an that with its logic of death, terrorism shows the horrors that can result from a moral deterioration that ignores the value of human life.

It also warns that in the struggle against terrorism, minds can be obliterated causing a vicious circle that harms society and provides terrorists with new reasons to hate the authorities.

Quoting Pope John Paul II, the sermon says that no one can ever call an assassination by a different name. May the vicious circle never be called logical, or unavoidable, or necessary.

The church adds that it grieves for those Peruvian families that have lost a father, a husband, or a son, by violence, and that in particular it grieves for the deaths of courageous an honest defenders of the nation.

EL PAIS INTERVIEWS NORIEGA ON SEVERAL KEY ISSUES

PM301130 Madrid EL PAIS in Spanish 20 Jul 86 pp 4-5

[Interview with Defense Forces Chief General Manuel Antonio Noriega by Jose Comas in Panama City; date not given]

[Text] Panama City -- The 48-year-old Manuel Antonio Noriega is the only general in Panama's Defense Forces and the real strongman in a country in which the Army plays the leading role in political life. Noriega was recently the target of attacks and extremely grave accusations in the U.S. press, including the accusation of being involved in drug trafficking. Military personnel close to him view this as a "conspiracy" instigated by the United States to avoid compliance with the treaty signed by Presidents Torrijos and Carter, which outlines the transfer to Panama of sovereignty over the Canal and its zone in the year 2000.

General Noriega received an EL PAIS special correspondent in his headquarters office in Panama City. Throughout the 1-hour interview he was surrounded by five colonels and answered every question put to him.

Question: General, you seem to have lost Washington's confidence.

Answer: (After 18 seconds' silence) I would like you to expand on that, because, put like that, it is a question which is very...

Question: The U.S. line is generally one of leaving a person alone if he is of benefit. Now the reprimand in THE NEW YORK TIMES and Helms' attacks in the Senate suddenly appear. Does this mean you have ceased to be trustworthy?

Answer: My status as a Panamanian and a member of the Republic of Panama's Defense Forces force me to comply with my country's interests, my nation's constitution, and my government's patriotic plans. This commander, all members of the Armed Forces, and all members of the Cabinet headed by President Del Valle operate within these working parameters.

Question: Do you believe that behind all this (the attacks in the United States) there is an attempt to destabilize Panama?

Answer: There are two things: The official statements made by our Foreign Ministry representatives and the official talks which Panama's representatives have had with members of President Reagan's government. They state -- and I emphasize this, because these are statements by the Panamanian Foreign Ministry -- that there is no attempt or desire on the part of President Reagan's government to harm the Republic of Panama. This is the official version. We Panamanians feel that the same old enemies exist and appear to want to deny Panama the right to self-determination in its own sovereign territory -- The canal strip, which is in our territory.

Question: So do you believe that there is an attempt to prevent the transfer of the Canal to Panama in the year 2000?

Answer: I do. We have sufficient evidence of the conspiracy and the insult which has been received, which was directed not against the commander of the Defense Forces but against the destiny of the Republic of Panama. That conspiracy lies in the same interests of the group which has opposed the signing of the treaties since 1970. That same political, social, and economic group exists and persists in the United States and will confront and attack any expression of nationalism and the Panamanian Republic's sovereign self-determination.

Question: Does this group reach as far as the Oval Office in the White House?

Answer: We could not say so, because that would be to run counter to a policy and statements by the White House, which says that they have no interest in destabilizing the Republic of Panama, that they have no interest in not transferring the Canal, that they are not interested in harming relations with Panama. We must accept that these statements are valid and good, since they come from a friendly government. We must locate the enemies in those ultraconservative groups which have always believed that the area where the overseas force operated was a territory which could be regarded as Algeria was regarded by the French.

Question: This direct attempt against you suggests perhaps that the United States has an alternative.

Answer: You cannot talk in generalizations concerning the United States. U.S. society has political groups with conservative attitudes, and it is to these that we are referring; to those who, without knowing Panama's history, claim that the Canal strip always was or belonged to their territory. It is to these that we are referring, and not to the government as such.

Question: Are you sure of Panama's Defense Forces? Of the new generation which will be at the top in the year 2000? Or do you intend to reach the year 2000 in this position?

Answer: (laughs) When the Panamanian students were struggling in 1964, in 1945, and in 1938, and when President Jose Antonio Remon said: "Neither millions nor charity; we want justice," he did not believe that he would be alive in 1999, when the treaty expires. When Torrijos set things astir, he did not believe, either, that he would live until the year 2000. It is good that people abroad know this struggle and realize that it does not date from this year or last year. This struggle began the year following the signing of the treaty (in 1903). People immediately began to struggle to remove the colonial enclave in the Republic of Panama. That is why nobody owns this struggle. Nobody, as a Panamanian, can claim to be the brains or the sole hero of this venture, which is a struggle lasting generations. Hence the commanders of the year 2000, the young people of the year 2000, will be the witnesses and the heirs of what is done or not done right now, in 1986.

Question: And if the opposition came to power? Or is that ruled out here in Panama?

Answer: Well, there is a situation here which leaves no room for doubt. The Panamanian people, without political distinctions, accept nothing, absolutely nothing, that is not in keeping with their national interests. This is an extremely nationalistic people, without being chauvinistic, without being disrespectful of or aligned with other left-wing or right-wing powers. This is a people who know and have suffered what it is to have a colonial enclave in the very heart of their territory, in half their territory. This people know what it is to have a foreign police force arresting their fellow countrymen. This people know what it is to be tried by foreign courts, with penalties which pertain to other states and to other laws, which are not Panamanian laws. That is why this people will never renounce their gain and their right to be sovereign.

Question: Even if the opposition wins?

Answer: Even if the opposition wins.

Question: You attribute to the opposition the same nationalist feeling which you have yourself?

Answer: I attribute that nationalist feeling to the people, who will prevent their leader, whoever their leader is, from directing an action against the recovery of their territory.

Question: It seems unlikely that the opposition will attain power here.

Answer: Well, it is the people who decide, and the people will know why they do not allow them to attain power.

Question: Did the people decide in the last election?

Answer: The people decided in the last election.

Question: You know that there is talk of fraud.

Answer: Well, there is talk of fraud by those who lost. It is the losing player who kicks up a ruckus.

Question: How long will your personal position, your post at the head of the Defense Forces, last? Is it until your retirement? Is your replacement envisaged? Will you go?

Answer: We have our internal regulations, as do all the armed forces in the world, and the continuation and termination of our duties are subject to the same internal regulations.

Question: That is, you will quit this post when you reach retirement.

Answer: When the internal regulations so require.

Question: Are you worried by cases such as those of Marcos or Duvalier, which could have certain parallels here in Panama?

Answer: Panama is not the Philippines, much less Haiti. Here none of the members of our Defense Forces is either Marcos or Jean-Claude.

Question: But do you believe that the model for ridding oneself of a (U.S.) ally could set a fashion?

Answer: The opposition groups, which pay for the lobbying there and arrange the newspaper fabrication there, link it to this country and take it around to other newspapers, write the news abroad, and release it in Panama. They have persuaded their lobby that an attempt should be made to measure Panama by this yardstick, but there is definitely no parallel, no similarity. The Philippines is a system remote from what Panama is, and Haiti is diametrically opposed in the political, military, and professional aspects.

We have a military force which is patriotic, progressive, and prodevelopment and which works with its central government for the population's good. It is not a military force which is billeted or developed to combat guerrillas within its territory. That is why we reject the comparison with Manila or Port-au-Prince.

(At this point Colonel Roberto Diaz Herrero, chief of staff and second man in the military hierarchy, interrupted to say that "the most irrefutable proof that this is not the model of Manila or Haiti is that, although some people lobbying in Washington would like to make some of those ultraconservative groups believe this view, they are making a real effort at opposition, having the profoundly antimilitarist octogenarian Dr Arias (the elderly former President Arnulfo Arias) as the opposition's top leader, but they succeed in bringing only 1,000 people onto the streets in the greatest opposition effort.")

Question: One of the things which came to light in this set of accusations against you is that in 1972 the possibility of assassinating you was considered in the United States. How seriously do you take this?

Answer: This is stated by the newspaper (THE NEW YORK TIMES), together with the whole framework, without any proof. At that time it could be seen in the same publications that the man whom they were going to eliminate was General Torrijos, who was head of government at that time. The elimination depends on the position of the commander or leader of the day.

Question: It has been reported that Torrijos warned the United States that you are a very dangerous man.

Answer: That is totally..., not to use a swearword, it is an absurdity which makes no sense.

Question: Do you consider yourself a loyal interpreter of Torrijos' teaching?

Answer: We who command the Defense Forces not only consider ourselves but are those who truly interpret Torrijos, because it is we who were closest to Torrijos, in his strategy and his ideas. That is why we are here.

Question: What is your opinion of the $100-million assistance for the contras?

Answer: (hesitates slightly) It is a U.S. reaction to an analysis of its geopolitics. (laughs)

Question: Are you afraid of provoking Reagan?

Answer: No, I am not afraid of provoking anybody. It is simply that I..., we have our own idea, and respect for people's stances is directly proportional to the line you take. It is as if I were to ask why the Spanish people have not removed the Americans from there, from the bases. [answer ends]

Dr Hugo Spadafora was a deputy minister in the Torrijos government. Following lengthy personal vicissitudes, he joined Eden Pastora's anti-Sandinista guerrillas. Spadafora was captured by the Defense Forces last 13 September and was found dead 16 September, decapitated and wrapped in a U.S. mailbag. Noriega has been implicated by the U.S. news media in the dissident doctor's murder.

Question: You are being implicated as the instigator of Spadafora's murder. What is your version of what happened?

Answer: The investigation was directed by the Republic of Panama's courts, which are one of the three state powers. The opposition is exploiting a situation and is beginning, through the newspapers, to act as a court of law. When newspapers set themselves up as courts of law there is a danger that justice will disappear.

If we turn directly to the act itself, to the act of bloodshed, we can see that murder did not suit the Republic of Panama's Defense Forces, and less so if we are dealing with professional defense forces. The very characteristics of the act show that professional forces do not make this kind of mistake. This kind of mistake reflects a psychological or sociological characteristic of other Central American individuals, of other people who may use inhuman groups which leave behind a message with vendettas. We totally reject the accusations because we -- we alone -- were the people harmed by that murder.

Question: You were chief of G-2 -- Panama's secret service -- for quite a long time. Are your secret services unable to find out what happened?

Answer: I would not view it in this way, because the murder was not in Panama. The murder was in Costa Rica. We can and do have our own investigation, but that investigation would not be jurisdictionally and legally our responsibility.

Question: Another of the accusations leveled against you is that you are virtually a "double agent," who worked for Cuba and for the United States, who allowed the United States to operate freely in Panama and then passed on information to Cuba.

Answer: If this were so, we would have that all officials of countries which have relations are double agents; the United States has relations with the Russians and with China. [sentence as published] What secrets could the United States hand over to the Republic of Panama? What secrets could Cuba hand over to the Republic of Panama? It is illogical. This is rather a hoax against the United States and its officials in the security services.

Question: What about the sale of technology to Cuba? At least once a week a Cubana de Aviacion freighter lands in Panama and goes to Cuba.

Answer: Yes, there is a Cuban airline here. The sale of technology rests with the United States. Kodak belongs to the United States, and IBM and General Electric, too. All the technology that could be obtained by Cuba does not belong to Panama, which has no technological plants. That purchase is made with knowledge and with books. Where are those companies' books? Those very companies' investigators are Americans, not Panamanians. Hence, that also is self-evident. If Kodak sells all its photographic equipment to Cuba, it does not need Panama. They should know to whom they are selling it and to whom they are not selling it. We Panamanians need not be the intermediaries in that sale. And if it were like that, why do the U.S. authorities not fine Kodak, General Electric, and all the technological companies and forbid them to make those sales?

Question: It is said that you profit from drug trafficking.

Answer: We have been working with the Americans for 16 years, and here, summarized in 480 pages, we have all the work performed since 1970; all the testimonials Washington gave, praising our work.

(Noriega presented a bundle of photocopies containing acknowledgment by the U.S. press and authorities of Panama's cooperation in the struggle against drug trafficking. A Panamanian official attending the interview interrupted to point out that alleged Colombian drug trafficker Jorge Ochoa, recently handed over to Colombia, was arrested in Spain thanks to the information sent from Panama.)

Question: You are accused of forcing Nicolas Ardito Barletta's resignation. (Panamanian President Barletta resigned from his post in October 1985 and was replaced by the then vice president, Eric del Valle)

Answer: The truth of the matter is that the resignation stemmed from a loss of his political platform and of the political support of his party, his government team, and the legislators. When they deprived him of support, they left without any foothold and without prospects for being able to act. He could not act if he was going to have an assembly against him. He could not act if he was going to have a government team and a party with a critical stance -- sustained criticism. It is to this that we directly attribute President Barletta's departure.

Question: But what role do the Armed Forces have in all this? I believe that there has been no president since the restoration of civilian rule in Panama who has reached the end of his term...

Answer: Here the Armed Forces convey the people's decision, convey the majority's decision. When the Barletta affair occurred, it was a majority who decided it. All we do is make ourselves the repository of the decision, the pointer of the scales in which destiny and the future have already been judged politically. It rested with us to carry out and heed the political decision handed down on that president.

DEL VALLE PROTESTS TO UN ON 'DISCREDIT CAMPAIGN'

PA311537 Hamburg DPA in Spanish 1858 GMT 30 Jul 86

[Text] New York City, 30 Jul (DPA) -- Panamanian President Eric Arturo del Valle has condemned the procedures that some groups have used to attack his country and has cautioned that such attacks may become a new threat to the people's right of self-determination and sovereignty. In a letter to the secretary general of the United Nations publicized today, the Panamanian president deplored the discredit campaign that has been launched by the United States against Panamanian Defense Forces Commander Antonio Noriega. He noted: "The campaign has been carried out by some important dailies and television networks. The virulence of the attacks by THE NEW YORK TIMES is noteworthy."

On 12 June, THE NEW YORK TIMES quoted State Department, White House, and Pentagon sources as well as U.S. intelligence officials, linking Noriega to the trafficking of arms and drugs and to illegal money laundering, accusing him of spying for both the United States and Cuba.

In a letter to Javier Perez de Cuellar, President del Valle noted that none of the charges have been backed by evidence. He stated: "All the slanderous affirmations are based on allegations from anonymous sources, allegedly secret sources, or on statements attributed to officials asked not to be identified."

Del Valle said that the Panamanian Foreign Ministry received "adequate explanations" from the U.S. Government when asked for its official position on the matter. But THE NEW YORK TIMES, the NBC Television Network, and other U.S. media have continued reproducing this type of information as well as erroneous statements from ultraconservative Republican Senator Jesse Helms.

He noted that the campaign is being launched at a moment when important events are taking place in Panama. He referred to his country's enemies who want to prevent compliance with the canal treaties and to reach power, disregarding the people's will expressed in the latest elections.

He also mentioned that there are important groups "conspiring to disrupt Panama's banking center so that its financial power is taken somewhere else." He called attention to the fact that similar campaigns are being initiated against other Latin American nations struggling for their sovereignty.

President del Valle concluded his letter by strongly rejecting "the slander being put out by the enemies of Panama, who want to undermine our stability, internal peace, and our independent foreign policy."

LA PRENSA POSITION ON NORIEGA CHARGES

PA311557 Panama City LA PRENSA in Spanish 31 Jul 86 p 1a

["As of Today" column]

[Text] When we Panamanians heard the vague official theory that the charges made against General Manuel A. Noriega, which were published in THE NEW YORK TIMES, were the result of a conspiracy aimed at keeping the canal from being turned over to Panama in the year 2000, we thought that it was another improbable story that the regime usually makes up for domestic consumption, when left without arguments and explanations in face of some delicate situation. On this occasion, the matter has gone further, as the government has raised its strange theory about a conspiracy to the level of first-rate diplomatic problem. This is shown by the letter sent by the president of the republic to the UN secretary general. In the letter he refers to the "slanderous statement made by Panama's enemies to undermine our stability and internal peace as well as the independence of our international policy." According to the president, none of these attacks has been backed with evidence and all assertions "are based on anonymous allegations." If the charges against Gen Noriega affect our country as gravely as the president claims, Panama should turn to the U.S. tribunals to demand that THE NEW YORK TIMES either prove its assertions or be sentenced to pay the appropriate indemnity. This is the best occasion for truth to shine for the good of the Republic.

COSTA RICA

ARIAS SAYS PEOPLE NOT SUPPORTING NEUTRALITY

PA311531 San Jose Radio Reloj in Spanish 1200 GMT 30 Jul 86

[Text] President Oscar Arias has said that the Costa Rican people are not aware of the need to maintain peace to consolidate the industrial and business sectors. He complained about a lack of support for his neutrality policy to a group of industrialists. He told them that the industrial sector has not decided what should be Costa Rica's role in the Central American war.

Arias said that the needs of a Costa Rica that keeps demanding more are not being met. He noted that it would be difficult to increase production if the country gets involved in the regional conflict. He commented that if the country does not remain out of the Central American conflict many businessmen will soon be trying to sell their factories. He stressed that he cannot see how there can be any foreign investment without peace and noted that what Costa Rica has cannot be maintained if peace is not guaranteed. On the contrary, he said, the situation would become worse.

The immediate measure that businessmen would take in the event of violence would be to sell their factories or deposit their firms' funds abroad.

Arias said that to his government neutrality is Costa Rica's desire, and this means not becoming involved in the military conflicts of third countries. He also said that military actions will not be promoted from Costa Rica. he added: Anyone who disregards these appeals is violating the government's decisions and does not deserve to live among us.

The president said that his government will respect neutrality and emphasized that he did not bring nine Latin American presidents to Costa Rica to tell them something he did not feel. The feeling expressed to them was that he wants Costa Rica to preserve its traditional peace. He said that he does not want the destiny of hunger, unemployment, and misery other nations are experiencing. These are nations with conflicts that Costa Rica must remain separate from.

EL SALVADOR

FURTHER ON HONDURAN PRESIDENT AZCONA'S VISIT

Joint Declaration

PA311923 San Salvador Domestic Service in Spanish 1737 GMT 31 Jul 86

[Joint declaration issued by Honduran President Jose Azcona Hoyo and Salvadoran President Jose Napoleon Duarte at the Presidential House in San Salvador; read by Salvadoran Deputy Foreign Minister Ricardo Acevedo Peralta -- live]

[Text] Joint declaration by the Honduran and Salvadoran presidents:

The president of Honduras, Jose Azcona Hoyo, accepting the cordial invitation of Salvadoran President Jose Napoleon Duarte, officially visited the Republic of El Salvador on 30 and 31 July.

They held a major exchange of views regarding bilateral relations that enabled them to draft agreements on measure that will favor strengthening peace; pluralistic, representative, and participative democracy; and integral development and cooperation between the two countries.

The heads of state talked at length about the problems affecting the Central American region, and concurred on the need to combine efforts to create or revitalize, as the case may be, those mechanisms that may contribute toward peaceful solutions to disputes and cooperation, so as to achieve a more harmonious coexistence conducive to political stability and social and economic progress.

Therefore, they declare:

Their full conviction that the traditional, historical, and cultural ties that join Honduras and El Salvador constitute the basis to achieve a fruitful and supportive coexistence for the sake of the two peoples;

Their firm dicision to combine efforts, which have become reinforced through a full and solid understanding conducive to an honest solution to the problems that weigh on the relationship between their peoples. For that reason they reaffirmed their commitment to faithfully comply with the terms of the Lima General Peace Treaty, (?convinced) that international law preserves and consolidates constant fraternity and constructive cooperation among the two countries to work and progress.

They reaffirmed their commitment to submit their border dispute to the jurisdiction of the International Court of Justice and pledged to fully implement, and in total good faith, the ruling issued by that court.

To maintain respect for the dignity of the tow states and their citizens they concurred on the advisability of creating a special commission to study and propose solutions to human, civil, and economic problems that may affect their citizens once the border dispute has been resolved.

President Duarte thanked President Azcona for his government's contribution to protect and assist Salvadoran refugees living in Honduras and reiterated the Salvadoran Government's commitment to honestly and decisively contribute to resolving their situation by offering the appropriate conditions and the necessary trust that will permit their voluntary repatriation and their relocation, in accordance with existing agreements.

Likewise, they pledged to explore, promote, and implement joint development projects such as the (Elpreginio) zone, the utilization and exploitation of the rivers crossing or dividing the border of the two Republics, electricity networks, the dry water canal [as heard] between the two countries, and an increase in trade, as well as cooperation in food security [seguridad alimentaria] and an exchange of surplus staple grains, through the mechanisms already established and through the coordination of their foreign ministries.

To achieve permanent and lasting peace in Central America, it has become imperative to foster and reinforce democratic, pluralistic processes based on the furthering and effective implementation of human rights, social justice, and respect for the sovereignty and territorial integrity of the states.

It is necessary to support, create, and further regional forums for dialogue and cooperation that effectively support fostering understanding and democratic coexistence to attain appropriate solutions to the area problems. To this effect, they reiterated their adherence to the Espquipulas declaration of 25 May 1986.

The Honduran president expressed his satisfaction over President Duarte's decision to seek the peace the Salvadoran people so yearn for through means that lead to reason and understanding. They reaffirmed the importance and significance which respect for human rights has in a democracy, and they expressed their decision to maintain and further the validity and the full and effective implementation of this.

They likewise concurred that they should strike to make unified efforts to prevent the problems that currently affect the Central American area from fostering interventions or confrontations alien to the region.

They decided to maintain periodic direct contact to analyze and overcome bilateral problems in a unified fashion and to promote joint stances in the face of the crisis of the region on those matters of mutual interest.

They expressed satisfaction over the major achievements made during the talks, which will reinforce political, economic, social, and cultural relations between Honduras and El Salvador and will promote achieving peace and reinforcing liberty and pluralistic democracy in Central America.

In conclusion, President Azcona, speaking on behalf of the Honduran people, his retinue, his wife, and himself, conveyed his gratitude to the Salvadoran president and Mrs Duarte for their kind hospitality during their official visit. He also extended a cordial invitation to them to officially visit the Republic of Honduras. The Salvadoran president accepted the invitation and offered to go at an opportune time.

San Salvador 31 Jul 1986

[Signed] Jose Napoleon Duarte, president of the Republic of El Salvador

Jose Azcona Hoyo, president of the Republic of Honduras

Azcona Holds News Conference

PA312106 San Salvador Domestic Service in Spanish 1746 GMT 31 Jul 86

[News conference by Honduran President Jose Azcona Hoyo at the Presidential House in San Salvador, with introduction by Salvadoran President Jose Napoleon Duarte -- live]

[Text] [Duarte] Dear national, Honduran, and international journalists: I would like to greet you on this day when we are celebrating Journalist's Day. Tomorrow we will hold the traditional meeting in my house to which I have always invited you, not only now that I am president, but also when I had no post. We have always met in my home so I expect all journalists to be there.

Now we will have with us, for a news conference, the president of Honduras, Jose Azcona Hoyo. As usual, during interviews with distinguished guests, I do not answer questions. You will have the honor to interview the president of Honduras.

I ask you to treat him with love and frankness because he is a man with democratic awareness, and he is fulfilling the right of freedom of expression. Just as you have the right to ask questions, he has the right to answer. Here is the president of Honduras, Jose Azcona Hoyo:

[Azcona] First, before you start asking questions -- which I will answer with my characteristic, frankness and without reservations, I want to congratulate the Salvadoran journalists who are celebrating their day. Congratulations. Success for all of you in your profession as social communicators. We hope that you will contribute to the strengthening of democracy in El Salvador -- as you are in fact doing -- by supporting the decisions of the Salvadoran Government and also by being critical whenever necessary. Congratulations to all of you. I am ready now. You can ask whatever questions you find suitable.

[Moderator] Mr President, the first question will be asked by Joel Burgos of DPA.

[Burgos] Mr President of Honduras, some political sectors have said that your visit to El Salvador is part of a plan to form a front composed of Central American countries against the Nicagaguan Government.

[Azcona] No! That speculation is completely groundless. With President Duarte we have basically discussed matters of interest to El Salvador and Honduras. We will not deny the fact that there is an ideological concurrence, as I said during my improvised speech at last night's dinner with Presidnt Duarte. We belong to different political parties, but essentially we are democratic and pacifists.

Instead of looking for a front to harm Nicaragua, we want to contribute so that Nicaragua may lead its government through paths of democracy, so that there is a political way out of the Nicaraguan problem, so that there is no more bloodshed in that sister Central American nation. There is no such front against the Sandinist government.

[Moderator] The next question is from journalist [name indistinct]

[Name indistinct] Mr President, I would like to ask you two questions. The first one has to do with the agreement you signed jointly with President Duarte on the refugees. We see nothing specific and don't know if the refugees are going to remain there, or if Honduras will keep them where they are now. Please gove us an idea of the refugees situation in Honduras. The other thing, Mr President, is everybody knows at the international level that your country permits the presence of the counterrevolutionaries in your territory. My question is: You once said that you would not permit the presence of the counterrevolutionaries from Nicaragua, but later you claimed that you had not said this. My question is: Why does Honduras permit the presence of counterrevolutionaries on the Honduran-Nicaraguan border?

[Azcona] Regarding the refugees, Honduras is not [word indistinct] of the agreement on refugees. However, I believe the treatment we have given Salvadoran and Nicaraguan refugees has been very humane and within the possibilities of and take care of them within our possibilities. We believe that Salvadoran refugees (?should be) seeking the way to return home, because we feel that there are no reason why there should be Salvadoran refugees in as much as that constitutional and democratic government respects all freedoms and rights.

We know that most of those refugees have been removed from the areas of conflict between the Salvadoran subversives and the government. We understand that situation. We believe that as the situation normalizes, the Salvadoran brothers who are now in refugee camps in Honduras will begin to return to their country, which is where they belong. Salvadorans for El Salvador, and Hondurans for Honduras [word indistinct].

Regarding Honduras, we have been very clear on the matter of the counterrevolution. The Honduran-Nicaraguan border is approximately 750 km long. The southern sector of the border is accessible by road as for as Cifuentes, or rather, [words indistinct] in El Paraiso Department. From that point on, the border is a rural area and very difficult to protect. We have repeatedly stated, and we are not going to deny it: Contras come in and out of Honduras. The contras have not been given official permission to operate in Honduras, but we do not have sufficient material or human resources to protect the entire border and keep the Nicaraguan counterrevolutionaries, which have emerged as a result -- and we say this emphatically -- as a result of the Sandinist government's curtailment of the Nicaraguan citizens' rights, from entering Honduras. This would be tantamount to serving as the nursemaid of the Sandinist government or, to use another term, as a gendarme, as we have already (?stated). We are not going to become the guardians of the Sandinist government, because they would not do so for our democratic government if we were to have (?that problem).

I believe that the phenomena of the counterrevolution and public resistance in Nicaragua are untenable and will suddenly disappear when the Sandinist government in Nicaragua tries to prevent a political solution of its internal problems. [sentence as heard]

[Moderator] Mr President, reporter Julio Armando Valdez of HRN.

[Valdez] I have a question for President Duarte. [passage indistinct] My question is, if the International Court of Justice decides in favor of Honduras, what will be the reaction of the Salvadoran Government, the people, the guerrillas, and the opposition?

[Duarte] My dear friend and Honduran reporter, it would be discourteous of the Salvadoran president to answer this question at a news conference offered by the Honduran president. He will be glad, however, to answer it privately after the news conference.

[Moderator] Mr President Azcona, Reporter Eloy Guevara [name indistinct] of Radio Chaparrastique in San Miguel.

[Guevara] Mr President, I have two questions. First, to what extent does the United States influence Central America policy, particularly in Honduras, and what is the United States seeking with its direct involvement? The second question: What is your policy in response to the problems in your country, where it is known a coup will be attempted?

[Azcona] I did not understand the second part of your question.

[Guevara] The second question?

[Azcona] Yes.

[Guevara] What is your policy in response to the problems in your country, as it is known that a coup will be attempted against your government.

[Azcona] Look, first I will answer the first question regarding U.S. influence. The United States maintains friendly relations with Honduras, and I am not going to deny that Honduras, El Salvador, Guatemala, Colombia, Venezuela, Panama, and Mexico are within the area of U.S. influence. I will go even further. The entire Western world is influenced by the United States because there are two influential powers in the world: The United States and the USSR. It would seem as if these small countries are being given David's slingshot to use it against Goliath, in this case the United States. This is not our position. Our position is realistic.

There are areas of influence in the world, but countries such as Honduras and, I believe, El Salvador are defending our position before the United States with dignity and a realistic manner. That is my response to your first question. You must not believe that only Honduras, El Salvador, Colombia, Venezuela, and Mexico are influenced by the United States. There is the FRG, Italy, Greece, Spain, and France. There is a socialist government in Spain that voted to remain in NATO. We have a government in Great Britain that has allowed Euromissiles; the FRG did the same. We also have a socialist government in Greece, and there is a U.S. base there. Therefore, we must be realistic and see the circumstances and situations. The United States does not exert any influence over internal Honduran decisions. If there is a zone of influence, and it does exist, we are part of it. However, our dignity is unchangeable [words indistinct]. Your second question was...

[Guevara] Your policies in response to the problems Honduras is facing.

[Azcona] Oh, about the coup. I want to say that I do not know where that story came from. From EL DIARIO DE HOY here? There is no danger of a coup in Honduras at this time. The government is making the necessary efforts to solve the problems that emerge each day in our country. It is important to (?stress) that in developing countries, problems cannot be foreseen far in the future. They emerge daily. The demands of social sectors, most of which are justifiable, come one after another, and the instruments, the resources that these governments have cannot totally fulfill those demands. These problems will continue to emerge and the governments -- the Honduran Government -- is obliged to solve its problems. However, a coup is not even remotely possible at this time.

[Moderator] Mr President, Reporter Alejandro Casco of the Honduran newspaper EL HERALDO.

[Casco] I only have two questions. One is for President Azcona. The United States gives Honduras less economic and military aid. I want to ask why El Salvador, which is not as docile toward the United States as Honduras. [sentence as heard] What factors make it possible for Honduras to receive less aid than El Salvador? The next question is for President Duarte. If the International Court of Justice rules against El Salvador, will its decision be respected, considering that the Constitution stipulates that the national territory cannot be relinquished?

[Moderator] This is the same question that was asked by another Honduran reporter. You can ask the president that question later. He will be glad to answer it.

[Azcona] I believe that companero, friend, fellow countryman Casco's question [passage indistinct] but I think I can answer it. El Salvador receives more aid, especially in the military field, because it has many more problems than Honduras at this time. It has more problems because [words indistinct] there are guerrillas, and an undeclared war and we -- thank God -- do not have this problem.

However, you can rest assured that if this were to happen, and we pray to God that it does not, we would also need this type of aid. We do not have it now, and we hope we never need it. The situations in El Salvador and Honduras are different. [question indistinct]

[Azcona] We cannot impose conditions in the sense that we be given more aid than any other country. We request with dignity the aid we deem necessary to maintain development, to solve social problems, and also to solve security and sovereignty problems in Honduras. That is my answer.

[Moderator] Mr President, reporter Regina Osorio of Channels 3 and 7 of the Republic of Honduras.

[Osorio] Did you agree on or sign any definitive agreement with President Duarte for the repatriation of thousands of Salvadoran refugees living in Honduran territiory, given that Honduran and Salvadoran military authorities have said that there are guerrillas in the camps that are using them as safe havens?

[Azcona] We signed no agreement because, as I said, although Honduras is not a signatory of the convention on refugees, we have respected the refugees, rights in the sense that the repatriation must be a voluntary move.

As for reports that Salvadoran refugee camps in Honduras, such as the ones in Colomoncagua, Mesa Grande, and San Antonio, have to a certain extent become the sanctuaries of some refugees, we are aware of that. We have implemented reasonable measures to prevent this. We are even working with the UNHCR [UN High Commissioner for Refugees] to ensure that Honduran authorities are present in those camps, that they not be managed only by committees made up of the refugees themselves. That is a right that Honduras is entitled to because the camps are operating in its territory. This is to ensure that the camps do not enjoy extra-territoriality, as is the case of embassies.

However, the repatriation of refugees will be carried out on a voluntary basis. No refugee can be forced to return to his country if he refuses. We think that this problem will be solved, because in my eyes conditions in El Salvador are good as I said before, that country enjoys a fully democratic government. As war-related problems in the areas from which the refugees are coming from are solved, they will return to their places of origin.

[Moderator] President Azcona, I now give the floor to reporter Raul Monge of Radio Marti.

[Monge] Mr President, military sources in Morazan reported the presence of merceraries or internationalists, as they were called at that time, within the Salvadoran guerrillas. A capital city newspaper reported that Hondurans are earning $4 a day in the Salvardoran guerrilla ranks. Is the government aware of this situation, and if so, what measures are being implemented?

[Azcona] Well, from any standpoint, that is regrettable. This shows a marked meddling of Central American extremist sectors in Salvadoran affairs. President Duarte denounced that. This clearly shows that we must seek a political solution to problems in the area.

We regret of course that [words indistinct], and we do not allow that to happen at all. Quite the contrary, [word indistinct] Hondurans to disturb order in El Salvador would (?not) sell themsleves as cheaply as $ a day. I think that they earn more than that. I believe that they receive a lot of money from various channels to support that subversive situation in El Salvador. If we are not careful, money to promote similar situations in Honduras will also appear. That is my answer.

[Moderator] Reporter Raul Beltran of [word ndistinct] agency.

[Beltran] President Azcona, I would like to ask you two questions. First, rumors of a coup d'etat in your country originated from the private sector yesterday. They say that your government is too tolerant with the constant civil disobedience, caused by the serious political and economic problems in Honduras. Second, being aware that the Salvadoran Constitution mentions the irreducibility of our territory, would you accept an International Court of Justice ruling that the border pockets belong to El Salvador and not to Honduras?

[Azcona] Look, again we refer to Honduras. I believe and I will proudly tell you that there has never been another government with better communication with all sectors in Honduras than the current one. Honduras' economic problems were not caused today or yesterday. It is not true that the economic problems have worsened. We have economic problems. When there is a democratic government, economic problems abound because social sectors feel rightfully entitled to make demands, and the leader listens to those problems. That is, problems are not (?restrained), they come out freely. That is the reality.

There is talk of strikes. There have been no strikes with major negative effects on the Honduran economy. When strikes were held, we immediately sought solutions. Peasant organizations occupied the installations of the National Agrarian Institute. We appointed a high-level commission and the problem was solved in 24 hours. They had every right to make demands. They claimed that the bureaucratic structure of that institute prevented the development of the agrarian reform. In this regard, the government sided with them. We are seeking ways to reorganize that bureaucratic structure to ensure that part of the millions spent in bureaucracy be diverted toward agrarian reform problems.

All problems have been solved quickly, and there is no chance whatsoever that there will be a coup d'etat in Honduras. That is rather a [word indistinct] of the private enterprise that is supporting the government, that is worried about the large number of demands being made on the government. [Words indistinct] shown that they are friends of our government.

If the level of demands is not lowered, if there is not greater cooperation, if there is not greater patience in the solution of problems, the government could be destabilized. We believe that any government could face such a risk if the various sectors do not realize that solutions cannot come overnight, and that governments acting in good faith have the right to ask for understanding from sectors that have just demands. However, those demands require time to be resolved.

When the two states, that is Honduras and El Salvador, voluntarily and jointly resort to the International Court of Justice and recognize the finality of any ruling coming from it, Honduras will accept the ruling. Each state will defend its rights and bring its evidence.

Once the court hands down its ruling, regardless of what it might be, because we do not know what it will be, Honduras must accept that ruling. Treaties are above any speculation.

[Duarte] I think that the president will allow me to say that the answer to the question from the two Honduran reporters is exactly the same response that the president has given to the Salvadoran reporters.

[Moderator] Now we will have reporter Antonio Fuentes Ibarra of Radio Cadena Libertad.

[Fuentes] Mr President of Honduras, I would like to know if after certain failures -- which must be called failures -- of the Contadora Group in the pacification of Central America, how do you view the possibility of a democratic consolidation in Central America? That is one question; the other is: After your visit to our country, what will be your opinion?

[Azcona] Unfortunately, regarding the first question, the Contadora Group did not achieve progress to the extent that the four democratic countries of Central America expected. It did not make that progress because too much emphasis was placed on the arms buildup and the military problem, when the essence of the Central American problem is political. The Sandinist government, as a last recourse, said that it could return the tanks, the helicopter gunships, the multi-barreled artillery, and so forth. However, it said that it would keep the rifles and the men who carried those rifles. This does not solve the problem because the problem is a political one. If all the countries sign an agreement, and if we only keep the weapons they [the Sandinists] call defensive, they have more than enough with those defensive weapons to continue subjugating their people and prolonging the political problem in Nicaragua. This is (?what this matter) implies. As Presidents Duarte, Arias, and I told President Ortega, it is a problem of how one views power and democracy.

We are democratic presidents who know that power is relative, very relative. We also know that power is not eternal. We know that, undoubtedly, on 27 January 1990, I will turn over power to whomever is elected by the Honduran people, regardless of his party. I also know that the power the people gave me was given to me as a representative of that power. It was given to me in a relative way. I must respect the legislative branch. I must respect the judicial branch. There is also the Armed Forces, to which the Constitution of the Republic gives certain duties. There are peasant group who receive rights through the agrarian reform law. There are unions which the labor code gives rights to within the framework of the labor code. Consequently, power within a democracy is limited, relative, and temporary.

Meanwhile, in a totalitarian government [words indistinct] Mr Ortega. Why hold presidential elections? Why have LA PRENSA? Why let the priests go to the pulpit to express their ideas? That is the problem. It lies in a different concept of democracy and power that is held by those who have totalitarian ideas and those who have democratic ideas. That is the problem. It is not a problem of the arms buildup. It is not a military problem. It is a problem that is esentially political, which is why we have supported the Contadora Group and talked with President ortega. We will talk with him again as many times as necessary. We personally do not have anything against [words indistinct]. In addition, we do not have any hard feelings for the men who are members of the Sandinist government.

All we are asking is that they open the system up, to realize that the Nicaraguan revolution's triumph belonged to all of the Nicaraguan people. By this I mean that the nine commanders did not overthrow Somoza: The Nicaraguan people did. We were overjoyed when the Somozist dictatorship fell. However, there will be no peace in Central America until the Nicaraguans reach an understanding among themselves. There are six political parties in Nicaragua; two liberal parties -- the Independent Liberal Party and the Constitutionalist Liberal Party -- The Social Christian Party, the Social Democratic Party, the Nationalist Conservative Party -- I believe that is its name -- and the Conservative Party [all party names as heard]. These parties represent the full spectrum of democratic thought. They have presented demands to the Sandinist government which -- if my country's parties brought them to me -- I would be ashamed to reject. These include freedom of expression, freedom of the press, freedom of association, free elections, and others.

This is the crux of the matter: The Nicaraguan Government does not want to allow internal democratization there. So long as this is the case, those who are on the other side will continue to oppose them. Because they cannot stage opposition at the polls, through dialogue, or through the press or radio, they will oppose them militarily. This has negative repercussions in the countries that share their borders with Nicaragua. That is the truth of the matter. It must be repeated over and over again without fear. Why should we, who have struggled for freedom in our countries and set forth clear ideas on democracy for many years, now be ashamed to say that there is no democracy in Nicaragua and that that government must open up to democratization? These are precisely the principles we struggle for: freedom of expression and association, and to see to it that no one is forced to sign up for neighborhood committes. That is the problem in Central America: the lack of desire to democratize Nicaragua, and the fact that they feel entitled to oppress their people and believe that the rest of us must put up with the effects of that suppression of the Nicaraguan people's right. That is the truth of the matter.

[Moderator] Mr President, Maria Dolores Alteaga of UNOMASUNO.

[Alteaga] What is your opinion of the fact that the U.S. military aid for Honduras is smaller than the aid voted for the counterrevolution?

[Azcona] Yes, as I have said before, we do not face the problem of an internal military struggle as El Salvador does. [sentence as heard] Thus, I think, it is more understandable to grant more military aid to El Salvador then Honduras. Yes, that is regarding the military assistance. Regarding economic support, the United States is a sovereign country. It can grant the amount of money it believes suitable for every state. With great dignity and firmness, we are requesting greater economic assistance for Honduras because we are affected by the Nicaraguan situation, as Costa Rica is. The Costa Rican president has been far more firm in those positions than we have. He talked to President Ortega more firmly than we did. The Costa Rican president said that Costa Ricans are opposed to the Nicaraguan situation because it affects them. There is no tourism, investments, etc, etc.

Thus, there is a right. We have a right to demand the democratization of Nicaragua. This is not meddling in another state's internal affairs, because if that situation did not harm Costa Rica and Honduras we would not have that right. But we do have it.

[Moderator] Finally, Mr President, reporter Ricardo Chacon from ACAN-EFE.

[Chacon] Mr President, I have two questions. The first deals with Contadora. I know you have already said something about Contadora, but I would like to go further into that matter. Does Contadora still play an important role in Central America? What would your policy be toward that group, toward the member-countries? The second question is related to Condeca [Central American Defense Council]. In the past weeks, much has been said by (?the military chiefs) about the revival of Condeca. What would your position be toward that organization?

[Azcona] Regarding the first question, I think the Contadora Group still has a great number of things to do. It has a great deal to do, but the Central Americans also have to be more active. We have to demand and set forth positions on the Central American problem because we are at the core of the conflict. Honduras, which is next to Nicaragua, cannot view the problem as Venezuela or Mexico do.

Thus, we are part of the problem. The conflict is affecting us. It affects El Salvador, Costa Rica, and it can also affect Guatemala. Therefore, we have to set forth an initiative, or maintain a position in the search for a political solution to the Nicaraguan problem.

Rearding Condeca, I think that there are indeed reasons to reactivate that organization at this time [words indistinct].

[Moderator] Thank you, reporters, for having attended this news conference.

MSGR RIVERA Y DAMAS VISIT MARKED BY CLASHES

PA010104 (Clandestine) Radio Venceremos in Spanish to El Salvador 0023 GMT 1 Aug 86

[Text] We now wish to report on the irresponsible and cowardly attitude of Colonel [Mauricio Ernesto] Vargas and of the high command of the Armed Forces. As it is public knowledge, today 31 July, Msgr Arturo Rivera y Damas visited the northern area of Morazan Department. Msgr Rivera y Damas entered the northern area of Morazan Department by crossing the Torola River a little after 1000.

In an irresponsible and cowardly manner, Col Vargas ordered troops of Military Detachment No 4 to move behind Msgr Rivera y Damas' retinue. After Msgr Rivera y Damas and his retinue passed the area, Vargas' troops crossed the Torola River in th area of Meanguera. In spite of the fact that Msgr Rivera y Damas had already entered the northern area of the department, several clashes took place at 1155 at the security checkpoint that our forces had set up to offer security for Msgr River y Damas' visit.

Col Vargas (?then) ordered a battery of 105 mm cannons in the southern area of the Torola River to start shooting toward the northern area of Morazan. When the clashes begin, Msgr Rivera y Damas was arriving at Perquin, about 15 km north of where the clashes were taking place.

After hindering the release of Colonel Avalos for several months, with his irresponsible action, the Armed Forces are now further hindering his release and endangering Msgr Rivera y Damas' meeting with Col Omar Napoleon Avalos. On previous occasions, Colonels Vargas and [Miguel Antonio] Mendez prevented the International Red Cross delegation from entering this northern area of Morazan when it was coming to pick up letters from Col Avalos [words indistinct].

This irresponsible and cowardly action by Col Vargas and the high command is similar to their violations of the Christmas truce in December 1985 as well as their attempts to capture FMLN war cripples who were about to be exchanged for prisoners in October of last year.

This has been a preliminary report on the irresponsible and cowardly attitude of Col Vargas and the (?refusal) to allow the retinue of Msgr Rivera y Damas from entering the area, as Col Vargas ordered the Military Detachment No 4 troops to move behind the retinue in this northern area of Morazan Department. We will shortly be giving you more details on this situation.

HONDURAS

OFFICIAL EXPLAINS REJECTION OF ICJ JURISDICTION

PA311714 Tegucigalpa Televisora Hondurena in Spanish 0300 GMT 31 Jul 86

[Excerpt] Honduras amended its acceptance of the rulings by the International Court of Justice [ICJ] at The Hague a long time ago. Although it has unrestrictedly accepted the jurisdiction of the ICJ, in June Honduras modified its acceptance of the [ICJ] rulings through a legislative agreement, to restrict certain political aspects, such as the existing situation with Nicaragua. Foreign Ministry Adviser Jorge Hernandez Alcerro will explain our government's stance, which Honduran President Jose Azcona Hogo officially revealed!

[Begin Hernandez recording] A state's acceptance of ICJ jurisdiction is not compulsory, but rather optional. In other words, UN member-states make their own decisions as to whether or not they will accept ICJ jurisdiction. Accepting ICJ jurisdiction can be achieved in two ways. It can be achieved through a unilateral declaration, or it can be achieved through a commitment regarding a specific case. This commitment can be unilateral or it can involve several states.

On 20 February 1960, the Honduran Government issued a unilateral declaration, whereby it broadly and unrestrictedly accepted the ICJ jurisdiction. Considering that this jurisdiction is optional, the states can at any time modify their acceptance of the ICJ's jurisdiction, whether to [words indistinct] to a specific case, limiting it to certain countries.

On 26 May 1986, the Honduran National Congress issued two decrees, regarding amendments to the declaration which the Honduran Government had issued in 1960 accepting the ICJ jurisdiction. One decree involves the amendments introduced to the 1960 declaration, regarding Article 36 of the ICJ statutes. The other decree involves the amendments to Article (?31) of the Liverpool Pact. [end recording]

The professor of international law feels that Nicaragua's suit will not affect at law the legal proceedings involving the Honduran-Salvadoran dispute.

[Begin Hernandez recording] The border dispute with El Salvador is handled through two channels: the General Peace Treaty of 1980, and the commitment the Salvadoran and Honduran foreign ministers recently signed in the city of Esquipulas on the occasion of the meeting of Central American presidents. Although amendments have been introduced to the Honduran declaration accepting the ICJ jurisdiction in May, this will not affect at all a final solution to the border dispute between El Salvador and our country. [end recording]

Honduran President Jose Azcona Hoyo said this morning that he will not accept the ICJ jurisdiction regarding the suit Nicaragua introduced on 28 July. [passage omitted]

AZCONA ENDS SALVADORAN VISIT; OTHERS PLANNED

PA010140 Panama City ACAN in Spanish 0123 GMT 1 Aug 86

[Excerpts] Tegucigalpa, 31 Jul (ACAN-EFE) -- Honduran President Jose Azcona Hoyo arrived this afternoon in Tegucigalpa after honoring a 36-hour invitation of his Salvadoran counterpart, Jose Napoleon Duarte. [passage omitted]

The president and his retinue arrived at 1730 at a Honduran Air Force military base. [passage omitted]

Next Saturday, the Honduran president will meet in San Andres, Colombia with Colombian president Belisaro Betancur to sign a document recognizing Honduran sovereignty over the Serrania and Quita sueno cays, Virgilio Barco, of the Liberal Party. [passage omitted]

NICARAGUA

COLOMBIAN GUERRILLAS OFFER HELP 'IF U.S. INVADES'

PA291420 Panama City ACAN in Spanish 2345 GMT 28 Jul 86

[Excerpt] Managua, 28 Jul (ACAN-EFE) -- The Colombian Popular Liberation Army [EPL] announced in Managua today that it is willing to send a brigade of guerrillas to Nicaragua if the United States invades this country.

Sonia Martinez, a member of the EPL guerrillas, said that they "would not hesitate to order our members to come to Nicaragua to defend the revolution from the imperialist aggression."

Standing in front of two red flags, one of them with a star in the middle and the communist symbols of the hammer and sickle, the Colombian guerrilla said that this was a "contribution to the revolutionary process."

In a news conference at the headquarters of the Nicaraguan Marxist-Leninist People's Action Movement [MAP-ML], the guerrilla appeared before journalists with a red handkerchief that covered almost all of her face and that was marked with the EPL acronym.

Sonia Martinez was accompanied by Luis Gomez, 26-year-old member of the Central Committee of the Colombian Communist Party-Marxist Leninist Faction [PCC-ML].

They stated that the EPL is the armed wing of the PCC-ML, which acts clandestinely.

Martinez said that the willingness to send Colombian fighters to the Nicaraguan war is a demonstration of the "Colombian people's solidarity with the Nicaraguan people."

In this way, the leader evaded a question from ACAN-EFE about whether her organization had already proposed this to the ruling FSLN.

Nevertheless, she admitted that her guerrilla group was demonstrating "solidaristic support for the MAP-ML" with this offer.

The MAP-ML, which is represented in the parliament, invited the EPL to the ninth meeting of Marxist-Leninist youths being held in Managua with the presence of organizations of various Latin American countries and Spain.

The Colombian revolutionary leader said that the guerrilla brigade would be sent to Nicaragua on the condition that the Sandinist government "makes the development of the revolutionary process more dynamic."

For his part, Communist leader Luis Gomez explained that their proposal must not be reduced to an action in the face of the "imperialist aggression," but instead, must be viewed as "revolutionary support" aimed at promoting the Sandinst revolution.

"We are for the development of socialism in Nicaragua, and that is why we want to contribute with our support to defend the Sandinist revolution," he said. [passage omitted]

EPISCOPAL CONFERENCE APPOINTS VEGA REPLACEMENT

PA262151 Panama City ACAN in Spanish 1647 GMT 26 Jul 86

[By Franco Rojas]

[Excerpts] Panama City, 26 Jul (ACAN-EFE) -- The Nicaraguan Catholic Church has appointed Msgr Guillermo Quintanilla new vice president of the Episcopal Conference to replace Bishop Pablo Antonio Vega, who was expelled from the country by the Sandinist government 21 days ago. [passage omitted]

Msgr Vega's successor, who was in charge of the Catholic communities in Carazo Department in southern Nicaragua, was appointed apostolic administrator of the prelacy of Juigalpa, a city in central Nicaragua. [passage omitted]

On 11 July, the Managua regime told the Catholic hierarchy that a process of "real and productive" dialogue should be begun. These talks would have the objective of easing the tensions and difficulties existing between the government and the Nicaraguan bishops since 1984. However, Episcopal Conference sources indicate that there are no possibilities that the meetings between the hierarchy and the government will be renewed.

Church sources consulted by ACAN-EFE indicated that Episcopal Conference circles "do not have any confidence" that a dialogue will have positive results. [passage omitted]

UNSC ENVOY CALLS FOR U.S. COMPLIANCE WITH ICJ

FL302124 Havana Radio Reloj Network in Spanish 1806 GMT 30 Jul 86

[Text] The Cuban representative to the UN Security Council, Oscar Oramas, has exhorted the Security Council to comply with its responsibilities and approve initiatives to preserve peace and avoid more bloodshed in Nicaragua.

Oramas demanded that the Security Council require the United States to respect the decision of the International Court of Justice at The Hague. During his address to the Security Council, the Cuban delegate stressed the insistence of the Nicaraguan government on attempting to negotiate a peaceful solution to Central American problems with the framework of Contadora, in direct conversations with Washington. Oramas decribed U.S. policy towards Nicaragua as criminal.

COMMENTARY PREDICTS FALL OF PARAGUAYAN GOVERNMENT

PA300412 Havana International Service in Spanish 2300 GMT 26 Jul 86

["Our America" commentary read by Mario Montes]

[Text") Alfredo Stroessner's desire to perpetuate himself in the Paraguayan Government was evident a few days ago as his paid assassins showed off their aggressiveness against the leader of the Authentic Liberal Party, Domingo Laino, who failed in his fifth attempt to return to his country.

Stroessner's aggressive attitude, reiterated before international opinion, the repressive nature of his regime, and also ended any possibility for dialogue with the opposition for the return to democracy.

During the last three decades Stroessner banished, jailed and eventually eliminated the left. Undoubtedly, the new generations of Paraguayans are making a grass roots resurgence of an opposition movement.

Despite the ambition to remain in power for life, Stroessner's regime shows signs of deterioration and progressive isolation, to the point that conditions are being created for a change whose content and hue are still unpredictable.

Paraguayan opposition are carrying out an international campaign to erode the bases of support of Latin America's oldest dictatorial regime, and whose support is the United States and international financial organizations under Washington's control.

Not long ago, THE NEW YORK TIMES revealed that the U.S. Government is being pressured not to favor the Paraguayan regime with loans amounting to $245 million, which were to be granted by the World Bank and the IDB. Due to the precarious Paraguayan economy, a measure of that nature would have such repercussions that even the regime's stability would be compromised. However, despite the crisis situation, Stroessner does not cease ordering repression against members of political, social, cultural, religious, and peasant organizations; even those who have been in the country's dark dungeons for years.

The international press recently reported that Andres Rodriguez the security director of the Asuncion Tucumbu Penal institution resigned his post after inmates conditions were publicized. Rodriguez stated that inmates are physically punished so they will report on fellow inmates who have active participation against the dictatorship. In that gloomy Tucumbu jail, Antonio Maidana, president of the Paraguayan Communist Party, spent several years. After being freed by the authorities he was kidnapped and missing in Buenos Aires for 3 years by order of Dictator Alfredo Stroessner.

The democratic changes that have been taking place in Latin America since the end of the military regimes in Brazil, Uruguay, Bolivia, and Argentina, and the exile of Haitian dictator Jean-Claude Duvalier certainly surround the infamous Paraguayan terrorist government.

OLD HAVANA BUILDING FIRE REPORTED, NO CASUALTIES

FL311411 Havana Tele-Rebelde Network in Spanish 1100 GMT 31 Jul 86

[Text] Yesterday, there was a medium-size fire in the warehouse of a cafeteria located in the Palace of captain generals in old Havana. The fire began around 12:30 pm and was put out in less than an hour.

The interior ministry's fire prevention and extinguishing units prevented extensive damages. The damages were limited primarily to provisions and dishes. Area residents were immediately evacuated, avoiding casualties. The causes of the fire are being investigated.

PINAR DEL RIO FOREST FIRES CAUSED BY NEGLIGENCE

FL311335 Havana Radio Progreso Network in Spanish 1100 GMT 31 Jul 86

[Text] The Commission for Protection of Flora and Fauna has reported that the 37 Pinar del Rio forest fires registered between January and August have been caused primarily by staff negligence and climatic conditions. The commission indicated that the losses surpass 88,000 pesos as a result of 671,000 destroyed hectares of forest and over 560 reported violations of hunting and fishing laws.

TRINIDAD-TOBAGO

TRADE AGREEMENT SIGNED WITH VENEZUELA

FL301655 Bridgetown CANA in English 1522 GMT 30 Jul 86

[Text] Port of Spain, Trinidad, July 30, CANA -- Trinidad and Tobago and Venezuela have reported agreement on a wide range of areas, including trade, energy, taxation, tourism and maritime transport.

The agreement was reported following the fourth meeting of the Neighbouring States Mixed Commission, which ended here last night. The private/public sector grouping, which last met in Caracas in 1984, issued a communique saying that an agreement had been reached on areas such as exchanging trade information, and on joint ventures. Yesterday, an agreement was signed between the Export Development Corporation (EDC) of Trinidad and Tobago and Venezuela's Institute of Export Trade (ICE) to exchange commercial data, conduct joint market studies, and to conduct and promote joint trade ventures. Venezuela has agreed to provide technical assistance to Trinidad and Tobago's tourism development. It is also to train Trinidad and Tobago nationals in the field of energy in the last quarter of 1986. Trinidad and Tobago's Shipping Corporation (SCOTT) and Venezuela's counterpart corporation are to hold discussions on the possibility of increased shipping between the two countries. The shipping arrangement would take into account present infrequent links between the two countries. The two corporations are also to discuss a possible ferry link between Trinidad and Tobago and Venezuela. The commission established a small working group to identify joint venture projects for further contacts.

Trinidad and Tobago's External Affairs Minister, Errol Mahabir, who signed the Iron and Steel Company of Trinidad and Tobago (ISCOTT) and the Venezuelan Cidore Company will lead to further sales for Port of Spain this year.

ISCOTT is to sell 72,000 tonnes of sponge iron to Cidore this year. ISCOTT has also received 10,000 tonnes of lump ore from Cidore for experimental treatment.

Mahabir said that, if successful, when Cidore closes one of its plants for overhaul next year, ISCOTT will process 300,000 tonnes of sponge iron for export to Venezuela.

The mixed commission evaluated documents on double taxation and will seek to have the information discussed at a meeting of the relevant authorities.

GUERRILLA GROUP CALLS FOR OVERTHROW OF BOUTERSE

FL291924 Bridgetown CANA in English 1853 GMT 29 Jul 86

[Text] Amsterdam, July 29, CANA -- A former personal bodyguard of Suriname's army strongman, now waging a guerrilla war against the government, has called for the overthrow of the six-year-old leftist military regime headed by lieutenant Colonel Desi Bouterse.

Ex-army sergeant Ronny Brunswick made the call in a statement smuggled out of the former Dutch colony and read on national television here over the weekend by former Suriname deputy prime minister Andre Haakmat, leader of a Suriname exile group based here. Bunswick, 25, has been operating in the remote marshlands of east Suriname over the past year and a half, intercepting military supplies, essentially good, passing through the area from neighbouring French Guiana, and distributing the booty to area residents. In the statement he called on Surinamers to resist the corrupt and criminal regime in Paramaribo. Bunswick's band of 60 fighters were involved in the kidnapping of eight soldiers last week. He said in the statement the soldiers would not be harmed unless his people's resistance front is attacked.

SOLDIERS LINKED TO ATTACK ON POST, MILITARY CAMPS

FL251938 Paramaribo International Service in English 1805 GMT 25 Jul 86

[Text] After the attacks by unknown persons on the military camp at Albina and the military post at (Stockapsafer) last Tuesday, it appeared that the military personnel who were stationed at a post at (Stokapsafer) are missing, it was announced on Wednesday by the National Information Service.

Last Tuesday morning, a camp in Albina and the military post at (Stokapsafer) came under heavy firing from unkown persons leaving three people wounded.

Investigations revealed that weapons taken during the attck on the post were used in the attack on the camp. Investigations into the shootings and the search for the missing soldiers are continuing.

Since last Wednesday, the military police have launched a search for the 12 soldiers who are still missing after Tuesday's attacks by unknown soldiers on the military camp in Albina and the military post at (Stokapsafer). The 12 soldiers who were on guard duty at (Stokapsafer) disappeared without leaving any traces. During the search being carried out by the military police, a few persons have been arrested in connection with the disappearance of the soldiers. However, after being questioned they were later released.

The National Information Service has announced that the national army will do everything in its power to locate the missing soldiers.